How to get rich buying and selling radio stations

Mutual funds: How to fight spiraling fees

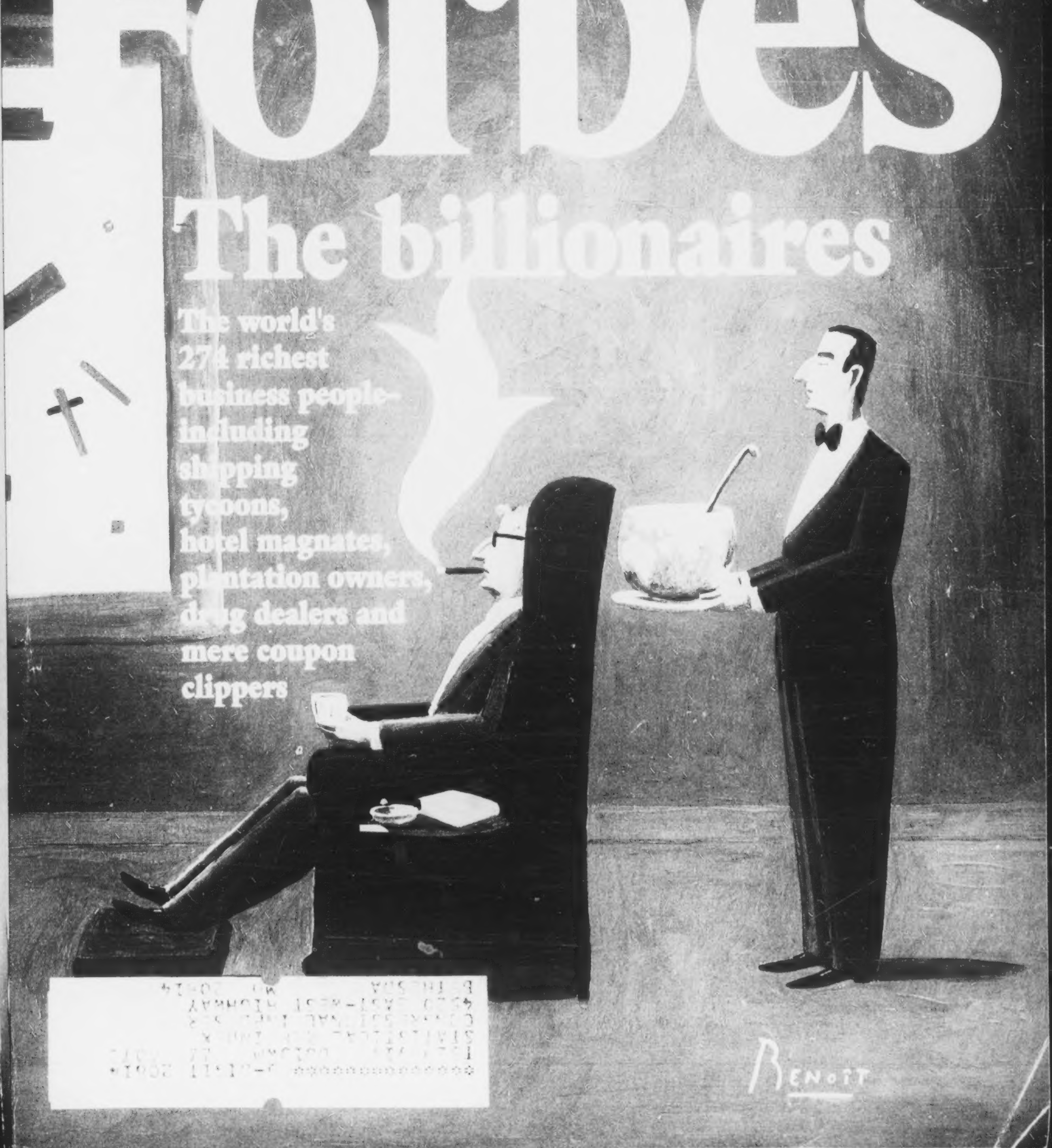
The Forbes International 500 survey

July 22, 1991 Four Dollars

Forbes

The billionaires

The world's 274 richest business people—including shipping tycoons, hotel magnates, plantation owners, drug dealers and mere coupon clippers



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JULY 22, 1991 VOLUME 148 NUMBER 2

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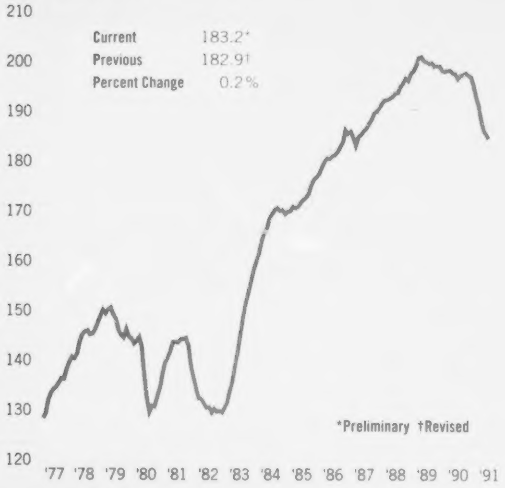
Cover illustration by Benoit

THE FORBES INDEX

BY TIMOTHY DODMAN

The Forbes Index (1967=100)



Current	183.2*
Previous	182.9†
Percent Change	0.2%

*Preliminary †Revised

Final revisions to first-quarter GNP showed the economy shrinking at a 2.8% annual rate. That may prove to be as bad as the recession gets, to judge from data now rolling in. Wages and salaries rose 0.6% in May, double the increase in the Consumer Price Index for the month. Another positive sign: May consumer spending (not a Forbes Index component) rose 1.1%. With May figures reported for all but two components, the Forbes Index is showing its first monthly rise in nine months. The only indicator showing weakness is housing starts.

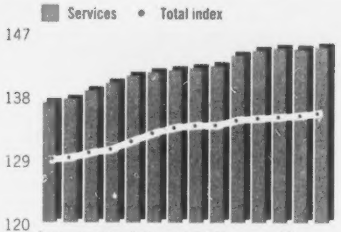
Other key rates	Source	Status
Prime rate	Chase Manhattan Bank	8.5%
Auto sales year to date vs 1990[1]	Ward's Automotive	-12.0%
Index of leading indicators May vs Apr	Dept of Commerce	0.8%
Trade balance 12 months ended Apr 1991	Dept of Commerce	-$89 bil
All-commodity producer price index May vs Apr[2]	Dept of Labor	0.4%
GNP 1st quarter vs. 4th—annualized growth	Dept of Commerce	-2.8%
NBER Experimental Recession Probability Index[3]	Nat'l Bureau of Economic Research	1.0%

[1] U.S.-based manufacturers, excludes imports, as of 6/20/91. [2] Wholesale goods. [3] May 1991.

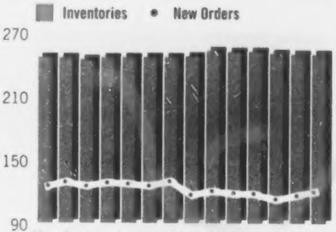
Index components

The Forbes Index is a measure of U.S. economic activity composed of 8 equally weighted elements: Total industrial production, new claims for unemployment compensation, the cost of services relative to all consumer prices, new housing starts, total retail sales, the level of new orders for durable goods compared with manufacturers' inventories, personal income, total consumer installment credit.

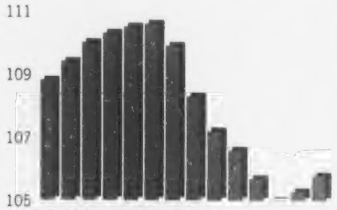
To measure these 8 elements, FORBES monitors 10 series of U.S. government data. The last 14 months' data for each series are presented below.



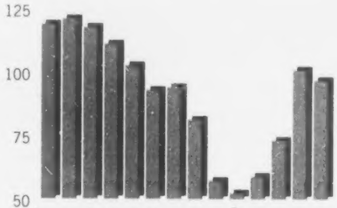
Consumer price indexes (1982-84 average=100) all urban consumers, unadjusted (Dept of Labor)



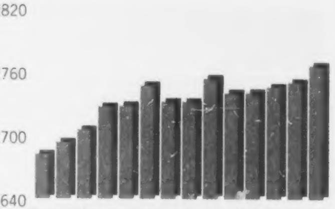
Manufacturers' new orders and inventories ($billions), seasonally adjusted (Dept of Commerce)



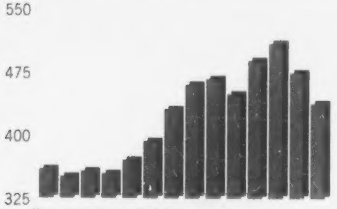
Industrial production index (1987=100) seasonally adjusted (Federal Reserve)



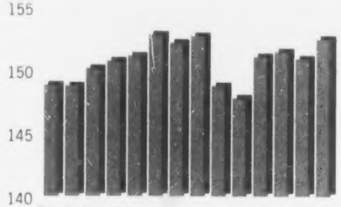
New housing starts (thousands) privately owned, unadjusted (Dept of Commerce)



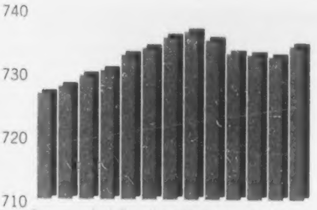
Personal income ($billions) wage and salary disbursements, seasonally adjusted (Dept of Commerce)



New unemployment claims average for month (thousands), seasonally adjusted (Dept of Labor)



Retail sales ($billions), seasonally adjusted (Dept of Commerce)



Consumer installment credit ($billions) total, seasonally adjusted (Federal Reserve)

What happens to municipal bond insurance if some big municipalities go bust? The insurers are stronger than they seem.

Privatized risks

By William Tucker

PHILADELPHIA'S finances are a shambles. Bridgeport is trying to declare bankruptcy. New York City is once again on the brink. A sizeable portion of each of these cities' outstanding debt is covered by privately underwritten municipal bond insurance. How good is the insurance?

Total outstanding municipal debt is around $840 billion; of that, around 24%, or some $200 billion—plus interest payments on that principal—is insured. Four big companies account for around 97% of the municipal insurance in force *(see table)*. Between them the four have capital of $2.5 billion to cover defaults on almost $360 billion in insured principal and interest.

But look at the schedule of potential payouts, and the gross numbers don't look quite that shaky. In case of default, the insurer is immediately liable only for current interest. At maturity, of course, it is also liable for the principal, but in most cases that gives the insurer many years to work out a settlement. That the loss would be total is scarcely thinkable.

"Any municipal default would almost certainly be temporary," says William O. Bailey, chairman and chief executive officer at MBIA, which only recently experienced the first default in its 17 years of existence. "After it resumes debt service and is back on its feet, we have the right to go back and collect our payout from the municipality."

Bailey says that MBIA insures $123 million of hard-pressed Philadelphia's outstanding $1.5 billion issues. Were Philadelphia to default tomorrow, MBIA would owe only $4.5 million in interest payments for the remainder of the year, and $29 million in 1992. Its total exposure to Philadelphia over the coming 27 years is $192 million. MBIA has $840 million in capital plus over $1.5 billion in other reserves, including a $500 million bank credit line. Total exposure: $158 billion.

Investors have been skittish for other reasons. When cities buy insurance they are in effect buying the triple-A ratings of the insurers so as to reduce their own borrowing costs. If the insurance companies' ratings drop, so does the amount they can save cus-

Street scene in Bridgeport, Conn.
After years of mismanagement, the city wants to declare bankruptcy. Will others follow?

The major players in municipal bond insurance

The capital ratios are low, compared with other forms of insurance, but the potential payouts are spread over a period of many years. In addition, insurers can go back and reclaim the payments once an issuer regains solvency.

Insurer	Ownership	% of outstanding insured municipals	Qualified statutory capital ($mil)	Net insurance in force ($bil)
Municipal Bond Investors Assurance Corp (MBIA)	Aetna; Cigna; Fund American; Credit Local de France; public	43%	$840	$158
Ambac Indemnity Corp	Citibank	26	740	86
Financial Guaranty Insurance Co (FGIC)	General Electric Capital Corp	24	602	88
Financial Security Assurance Inc (FSA)	USWest; Tokio Marine & Fire Insurance Co	4	292	28

Source: Mark H.S. Cohen, managing director, Fitch Investors Service tomers in interest payments. That, in turn, reduces the premiums cities are willing to pay for the insurance.

Reflecting investors' fears, MBIA's stock was battered—falling from 35 to 28 almost overnight—when it appeared Philadelphia was about to default last October. But Philly hasn't defaulted, MBIA officials maintain the insurer is fundamentally sound, and the rating agencies have left MBIA's triple-A rating intact. As confidence recovered in April, MBIA sold 12.4 million new shares to the public at $35. Current price: $31.

Ambac, the industry's oldest player, wasn't so lucky. In June Citibank—Ambac's parent—tried to sell a significant stake of Ambac to the public. But the offer was subsequently postponed—some industry insiders say indefinitely and blame "a terrible market."

Probably the worst problems facing the industry right now are competition and falling interest rates, both of which reduce premium revenues. "Municipal bond insurance is a pretty generic product," says Robert Froehlich, director of research at Van Kampen Merritt, the Chicago asset management firm. "The price is usually set at half the spread between the interest the municipalities have to pay based on their current ratings, and the interest rates they will get with insurance. Those spreads have been getting thinner as interest rates come down." Responding to this, most bond insurers have expanded other lines, including insuring asset-backed securities.

Believers in the free market deeply hope that municipal bond insurance will prove itself in the present crisis. Says Catherine England, director of regulatory studies at the free-market-oriented Cato Institute: "There's a growing tendency to think that the federal government has to handle all big risks—that the private market cannot handle failure."

England has a point: For the federal government to step in and back municipal risks with its own credit—as it has with banks and many other functions—would be a recipe for disaster. Do federal taxpayers want to underwrite the extravagance of local politicians? Do the taxpayers really need another S&L mess? ■

Divi Hotels had little trouble borrowing lots of money. Easy come, easy go.

"We were just bumpkins"

By James R. Norman

IT SEEMED a good idea at the time. Turn seedy old Caribbean beach hotels into cozy family resorts; add diving and gambling; then build time-share vacation units next door. Such "barefoot elegance," reasoned Ithaca, N.Y. lawyer Walter J. Wiggins, would turn his tiny Aruba-based Divi Hotels N.V. into the "Marriott of the Caribbean."

Before this Wiggins had earned his keep mostly by defending small-time crooks, but now he was an international financier. Divi went public in 1984, and from its two original resort complexes on Aruba it grew within six years to nine facilities with 1,500 rooms on six islands—becoming one of the biggest chains in the Caribbean. Revenues doubled in two years, to $112 million in 1989. In 1988 its Amex-listed stock topped 13 a share for a market value of more than $70 million. Wiggins' 11% interest had a paper value of about $8 million.

Then the bottom fell out. Divi reported losses of $11 million in 1989, $45 million in 1990 and $27 million in the first nine months of fiscal 1991. The stock recently traded at 30 cents. With new construction stalled, some $15 million worth of prepaid time-share investors could be left high and dry. Angry bondholders could well end up trying to wrest control from Wiggins.

What went wrong? On the surface the problem was too much debt. Greedy to expand, Wiggins and his board—which included L.F. Rothschild investment banker Joel Reader—loaded Divi up with all the debt they could borrow. Among the willing lenders and bond buyers: now-failed Executive Life, which bought $12 million of bonds worth less than $900,000 at year-end. Total debt is now $162 million, including $110 million of junk bonds at up to 14.5% interest. The company now has a negative net worth of $34 million, but beyond that there was mismanagement and apparent self-dealing.

Divi Hotels Chairman Walter Wiggins

He sold the company his bum assets.

"The whole world was pouring money on us and we were just country bumpkins," alibis Roger D. Coster, former head of operations, now recovering from drug abuse. Coster and Daniel Wilson, former Divi chief financial officer, agree that there was no way Divi could pay back its huge debt unless every piece of the construction plan worked perfectly—a virtual impossibility in the Caribbean.

At one point, Wiggins tried to persuade the board to pay him $7 million

The world's billio

Edited by Harold Seneker

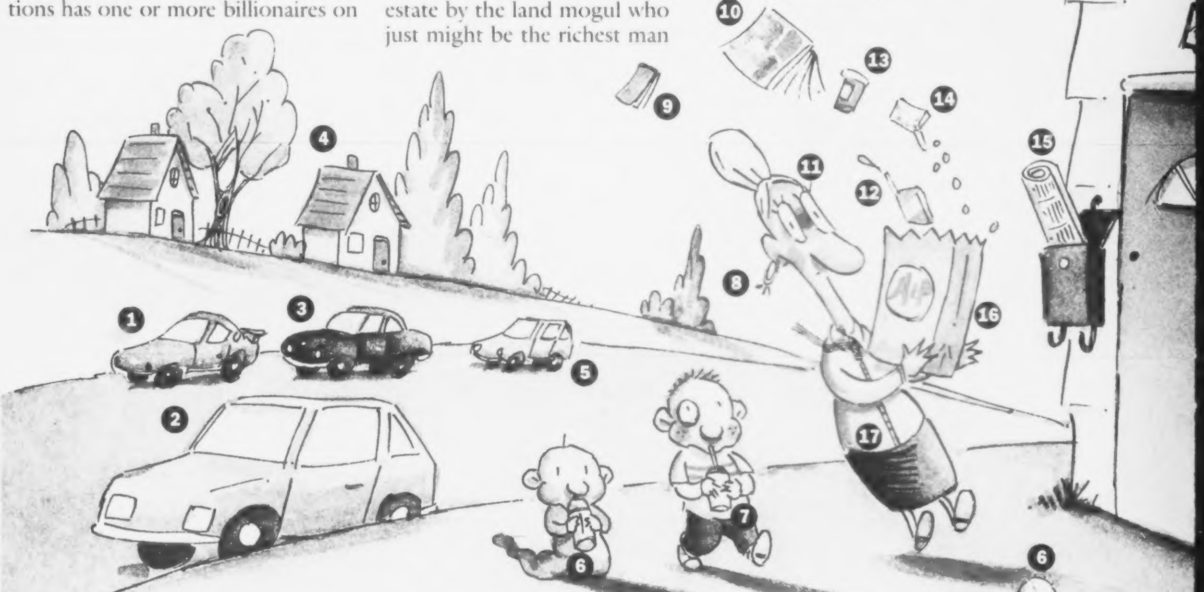
Reported by Hiroko Asami, Gale Eisenstodt, Amy Feldman, Diana Fong, Philip Glouchevitch, Toddi Gutner, Nobuko Hashimoto, William Heuslein, Junko Ikeda, Hiroko Katayama, Roula Khalaf, Manjeet Kripalani, Dolores Lataniotis, Joel Millman, Claire Poole, Joyce Quek, Katherine Weisman; Forbes von Burda

IN THE WANING YEARS of the 20th century, political boundaries are becoming increasingly irrelevant to commerce and industry, and the business community has become global, not national. These titans of trade are as likely to have interests in East Bridgewater, Mass. as in London, as likely to be selling groceries in Texas as in Tokyo. See the illustration below for a brief—incomplete—demonstration. Follow these people, learn what they are doing and how they are investing and get glimpses into major business trends. Some of the most rapid economic expansion in the world is going on in Southeast Asia. These are boom times in Thailand, Malaysia, Indonesia; this year each of these once quaint travelogue locations has one or more billionaires on our list. For better or worse, they are in the capitalist world.

At the same time, the established industrial countries are wrestling with big problems. In Japan land prices have been driven so high by speculation they are an economic worry. It is a delicate matter for the authorities: squeezing the speculators without touching off a price collapse that could threaten the collateral and stability of the country's banks. Want a look at how it feels on the inside? Our Japan real estate section begins on page 128. There you'll find one of Japan's biggest land speculators, worth over $7 billion on paper, if he doesn't go bankrupt tomorrow. Also a quick and gloomy take on why the numbers don't work in Tokyo real estate by the land mogul who just might be the richest man in the world.

People on both sides of the Atlantic wonder about Canada's famous Reichmann brothers. With real estate values sinking virtually every place they own property, some have wondered whether they've overextended with their enormous Canary Wharf project in London. See page 121.

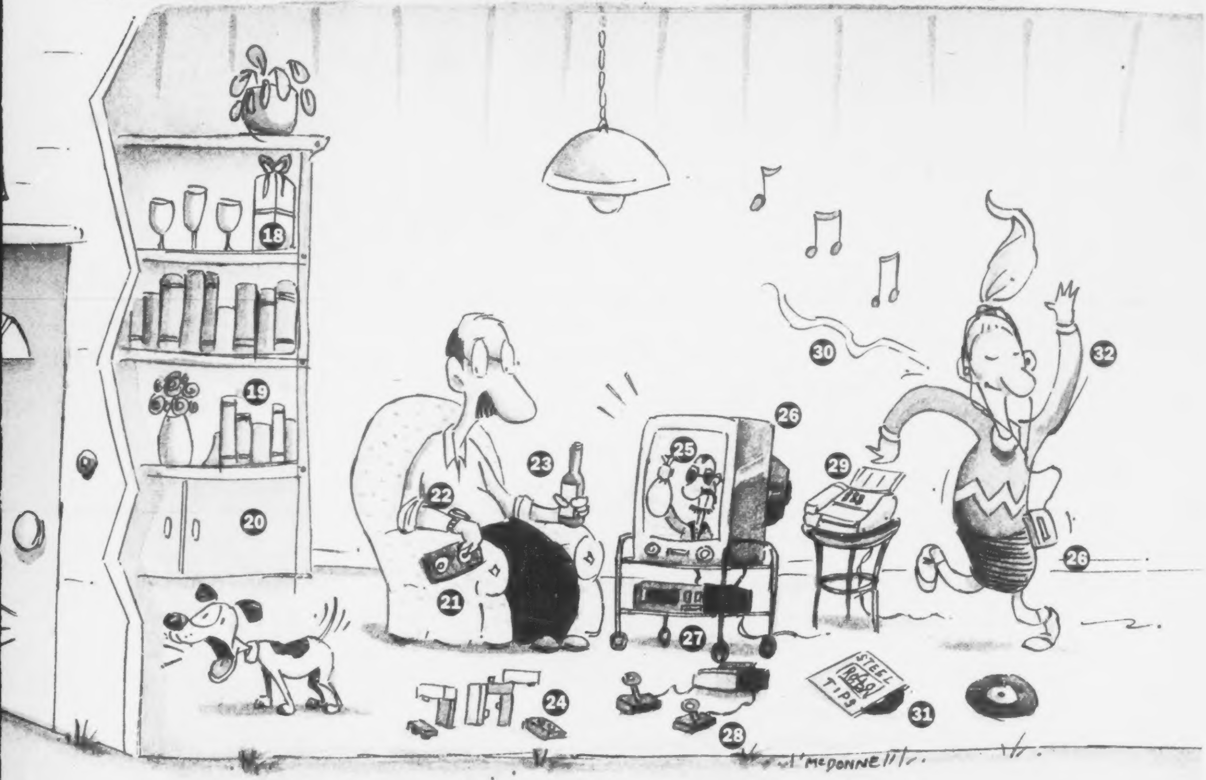
But real estate isn't in the tank everywhere. One British billionaire real estate family is drawn for the first time in centuries to invest outside the English-speaking world altogether. The market that's so compelling? See page 182 (Grosvenor).



naires

Is there a billionaire in your home? Welcome to the global economy

1. **Porsche family:** Porsche car
2. **Chung Ju-yung:** Hyundai car
3. **Quandt family:** BMW car
4. **Genshiro Kawamoto:** home development
5. **Giovanni Agnelli:** FIAT car
6. **Cisneros brothers:** Spalding tennis ball; Evenflo baby bottle
7. **Masatoshi Ito:** 7-Eleven product
8. **Swarovski family:** rhinestones
9. **Kerry Packer:** coupons
10. **Heinz Bauer:** Woman's World magazine
11. **Liliane Bettencourt:** L'Oreal cosmetics
12. **Rausing brothers:** Tetra-Pak juice boxes
13. **Hoffmann family:** Valium tranquilizer
14. **Michele Ferrero:** Tic Tac candies
15. **Ken Thomson:** small-town newspaper
16. **Erivan Haub:** A&P groceries
17. **Tadao Yoshida:** YKK zipper
18. **Charles Bronfman:** Seagram's whiskey
19. **Robert Maxwell:** Macmillan books
20. **Ingvar Kamprad:** Ikea furniture
21. **Matsushita family:** VHS videotape
22. **Hattori family:** Seiko watch
23. **Garza-Sada family:** Dos Equis beer
24. **Kristiansen family:** LEGO blocks
25. **Pablo Escobar Gaviria and Ochoa family:** cocaine scourge
26. **Morita family:** Sony TV, Walkman
27. **Koo family:** Goldstar VCR
28. **Hiroshi Yamauchi:** Nintendo system
29. **Junichi Murata:** fax machine
30. **Alain Wertheimer:** Chanel perfume
31. **Reinhard Mohn:** RCA record
32. **Benetton family:** sweater



The billionaires

In Hong Kong we found billionaires and millionaires alike building feverishly, as if the Chinese takeover scheduled for 1997 weren't ever going to happen. The very good reason for that has nothing to do with faith in Beijing. See page 158.

Back in Japan, billionaire moneylenders are thinking hard about a new trend among the country's younger generation that could mean deep social change in the future. It means more business for them, but at least one is seriously worried about it. Why? See pages 144, 146.

In Germany we find a billionaire forbidden to buy three east German newspapers he'd already sunk money into. The probable reason? German politics (Bauer, p. 200).

In Brazil we find support for President Collor de Mello visibly weakening among two of his most important supporters (p. 116). And elsewhere in the Americas are the Colombian drug billionaires, demonstrating to all the world that enough money can subvert a country (p. 114).

Beyond all that, many of these people are interesting in themselves.

Want to know who is the richest man in the world? So do we. We have two candidates this year, both plausible. Page 128. Then there is the richest 8-year-old in the world. Does he have business problems. Page 202. And in Germany we find a lawyer (courtesy of affiliate Forbes von Burda, which prepares its own German rich list, reflected here) who made a huge fortune out of a German law designed to discourage lawsuits. Page 201.

Don't American billionaires matter too? We look at them, and the rest of the richest people in America, in the tenth edition of the Forbes Four Hundred, in October. For now, we simply list their names (p. 126).

You won't find royalty or dictators here. The Sultan of Brunei and the King of Saudi Arabia are sodden with money, while dictators like Kim Il Sung use at their whim the assets of whole countries. But kings and dictators are fading. This is capitalist wealth we deal with here. See page 108.

–H.S.

Country*	Page	Number of billionaires
Australia	176	1
Austria	196	1
Brazil	116	3
Canada	121	9
Colombia	114	2
Denmark	192	1
France	178	9
Germany	200	40
Greece	184	3
Hong Kong	156	7
India	176	1
Indonesia	164	3
Italy	185	6
Japan	128	41
Korea	166	4
Lebanon	110	2
Malaysia	166	1
Mexico	120	2
Netherlands	192	3
Philippines	166	1
Saudi Arabia	108	6
Singapore	166	2
Spain	188	3
Sweden	190	3
Switzerland	193	6
Taiwan	174	5
Thailand	160	2
Turkey	110	3
United Kingdom	182	6
United States	126	96
Venezuela	121	1

*Plus The Aga Khan IV, page 112

Name/country/*industry*	Page
Over $10 billion	
Mori, Taikichiro/Japan/*property development*	128
Tsutsumi, Yoshiaki/Japan/*land, railroads, resorts*	128
Over $5 billion	
Haniel family/Germany/*trading, retailing*	207
Irving family/Canada/*oil distribution, paper, land*	122
Nakajima, Kenkichi/Japan/*pachinko machines*	144
Otani, Yoneichi and family/Japan/*hotels*	134
Rausing, Hans and Gad/Sweden/*liquids packaging*	190
Reichmann, Paul, Albert, Ralph/Canada/*real estate, investments*	121
Sainsbury, David and family/U.K./*supermarkets*	184
Shin Kyuk-ho (a.k.a. Shigemitsu, Takeo)/Korea/*candy, real estate*	170
Takenaka family/Japan/*construction*	132
Thomson, Kenneth Roy/Canada/*publishing, retailing*	123
Watanabe, Kitaro/Japan/*real estate*	129
Over $2 billion	
Agnelli, Giovanni and family/Italy/*autos, etc.*	185
Albrecht, Karl and Theo/Germany/*supermarkets*	203
Al-Rajhi family/Saudi Arabia/*money changing/banking*	108
Beisheim, Otto/Germany/*retailing*	206
Bettencourt, Liliane/France/*cosmetics*	179
Bin Mahfouz family/Saudi Arabia/*banking, investments*	110
Boehringer family/Germany/*pharmaceuticals*	214
Brenninkmeyer family/Netherlands/*retailing*	193
Escobar Gaviria, Pablo/Colombia/*cocaine*	114
Fentener van Vlissingen family/Netherlands/*oil & gas, retailing*	193
Finck, August and Wilhelm von/Germany/*banking, real estate*	209
Flick, Friedrich Karl Jr./Germany/*heavy industry*	207
Garza-Sada family/Mexico/*beer, steel, packaging*	120
Grosvenor, Gerald Cavendish/U.K./*real estate*	182
Hariri, Rafik B./Lebanon/*construction, investments*	110
Hattori family/Japan/*watches*	144
Haub, Erivan/Germany/*supermarkets*	208
Hayashibara, Ken/Japan/*pharmaceuticals, real estate*	134
Henkel family/Germany/*consumer products*	212
Hoffmann family/Switzerland/*pharmaceuticals*	196
Isono family/Japan/*importer, wholesaler*	150
Ito, Masatoshi/Japan/*retailing*	138
Itoyama, Eitaro/Japan/*land*	129
Iwasaki, Yohachiro/Japan/*logging, property, resorts, etc.*	134
Kamprad, Ingvar/Sweden/*furniture retailing*	190
Kipp, Karl Heinz/Germany/*variety stores, real estate*	207
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Over $1 billion

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Vuitton family/France/*luxury goods*	182
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It's not easy figuring out who owns what in Europe. Italy's Francesca Agusta, for example, says she's heir to a billion-dollar fortune. Her stepson says she's mad.

Italian soap opera

By Lisa Gubernick

Corrado and Rocky Agusta (below); Contessa Francesca in Portofino (right)

She spent years searching. But will she ever find the missing millions?

NORMALLY, La Scala is the best place in Milan for high drama and steamy emotions. But the opera house is nothing compared with what is being played out not far away at the Tribunale di Milano, Milan's principal courthouse. There Contessa Francesca Agusta, 48, the titian-maned widow of aeronautics magnate Count Corrado Agusta, is waging a bitter war against her stepson, Count Riccardo (Rocky) Agusta, 38, jet-setter and erstwhile wine importer. At stake: Francesca's slice of the century-old Agusta family fortune, which she claims is worth upwards of $1 billion.

L'affaire Agusta has it all: big money, secret bank accounts, arms deals with the shah of Iran, and even charges of mysterious circumstances surrounding a death.

While the Agustas aren't as well known as the Guccis or the Agnellis, the position of their company—Agusta SpA—as one of the Continent's preeminent aeronautical innovators is unequaled. Founded in 1907 by Giovanni Agusta, it was taken over in 1971 by Agusta's youngest son, Corrado, after the death of his older brothers. Under Corrado, the company developed the Agusta 109 executive helicopter and a military version called the Mangusta.

By the mid-Seventies Agusta's company was doing so well Corrado could have appeared on *Lifestyles of the Rich and Famous.* Among his playthings were a home in Portofino, a place in St. Moritz, a spread in Cuernavaca, luxurious apartments in both Milan and Manhattan, a yacht, a Gulfstream jet—and a very glamorous second wife, Francesca, a former fashion model some 20 years his junior, whom he made his contessa in 1974.

For the first ten years, all went smoothly as the golden couple jetted from Europe to Mexico to Tehran, where Agusta sold helicopters to the shah. But in 1985 they hit a rough patch: Francesca says she wanted to have children. Corrado, who had a grown son, Riccardo, from his first marriage, wasn't interested. By the end of the year they had an interim separation agreement. Francesca got the flat in Milan, five years' salary for her servants plus a flat cash settlement of $3 million. Previously Corrado had given her the villa in Portofino and the house in Cuernavaca.

In 1986 Francesca decided she wanted more. That's when the trouble began.

Over risotto and white truffle in her elegant Milan villa, Francesca tells her side of the story. "I told him [Corrado] I needed more money to establish the life I had," she says. "I said I needed $15 million." But Corrado "laughed in my face," she says, and "told me I was crazy to think he had that kind of money."

A billionaire who couldn't come up with $15 million? Francesca didn't believe it. Not only did newspapers report his worth to be hundreds of millions of dollars, but she also dug up government documents that valued his stake in the company at $120 million in 1982. He gradually sold that stake to the Italian government, which now owns all of it. That piece of Agusta's fortune alone could now be worth $200 million.

Where did the money go? Corrado claimed it had been spent, but a team of private detectives hired by Francesca found evidence that the funds were intact. Corrado, she claims, had used the money to fund a score of Panamanian and Bahamian shell corporations. The shares of the corporations, in turn, are held by Liechtenstein trusts, complex financial structures that make it almost impossible to find the true owner.

Francesca believes that there are hundreds of millions of dollars more stashed in secret accounts scattered from the Bahamas to Liechtenstein. Supported by reports in the Italian press and from U.S. military sources, the contessa claims Corrado was skimming money off the top of arms sales to the shah of Iran and others.

For three years, from 1986 to 1989, Corrado and Francesca battled. Because there was no definitive settlement, under Italian law there could be no divorce. In the process, Corrado fell ill and his son Riccardo returned home from America. Within a year Corrado was dead from liver cancer.

Davide Mosconi/7-Corriere della Sera

The messy divorce fight turned into an even messier will battle between the contessa and her stepson.

Francesca soon charged Count Rocky with illegally stripping the estate. Documents filed in Swiss and Italian courts suggest that hours before Corrado's death in St. Moritz, Rocky flew to Milan to execute power of attorney over various of his father's accounts. The documents indicate withdrawal of some $22 million from Corrado's bank accounts. Count Rocky insists he was with his father when he died.

Francesca shows a visitor an affidavit from a family friend who says that Rocky tried to bribe him to persuade Francesca to agree to a divorce. According to the affidavit, Rocky told the friend he would "get billions" when his father died.

Rocky, interviewed in his lawyer's office in Milan, dismisses all this as "absurd." He points to his father's will, filed in Switzerland, in which he was named sole beneficiary. "By the end," he says of his stepmother, "my father hated that woman."

Unfortunately for Rocky, his father's emotions are irrelevant. While the will is authentic, its legality is unclear. Since both Francesca and Corrado were Italian citizens, the estate is governed by Italian law. Like American law, it says that a man cannot disinherit his wife. On Feb. 26, 1991 the Italian court ruled that Francesca is an heir, and thus entitled to at least one-third of the estate.

What, aside from greed and hate, is at stake here? How much is the Agusta clan really worth? Corrado's will does not say. A preliminary tally from Rocky lists assets of just $60 million. So for the last year, Francesca and her lawyers have been on a worldwide treasure hunt, trying to unravel the extent of Agusta's fortune.

One example: Corrado's Gulfstream jet. At first, according to Francesca, Rocky Agusta claimed that the plane did not belong to his father's estate but rather to an unrelated Bahamas company. When Francesca finally tracked down and deposed the officers of the Bahamanian corporation that held title to the plane, they admitted they were nominees holding shares of the company for Corrado. Rocky now says he never contested ownership of the plane.

Establishing the ownership of other assets has been more difficult because of bank secrecy laws. Francesca claims that her late husband controlled other corporations as well as Agusta, with shares all held by those Liechtenstein foundations, which in turn are controlled by Swiss banks.

As an official heir, Francesca has the right to penetrate some banks' secrecy veils. Both Swiss and Italian courts (the will was filed in Switzerland, so jurisdiction over the assets is split) have ordered Rothschild A.G. and Fides, a division of Credit Suisse—the banks that control the trusts—to testify as to the trusts' assets. The banks have yet to comply.

Count Rocky, too, refuses to detail the size of his father's estate, saying only: "Anybody can say they own the Piazza del Duomo. Proving it to a judge is another matter." The Italian judge, meanwhile, still awaits an inventory of Corrado's estate from the Swiss court. Says Rocky: "It's up to her to come up with the numbers."

In Italy as in America, the only ones sure to profit from this battle are the lawyers. In a moment of charming good humor, Rocky gestures to his table full of lawyers. "Since I've paid you so much and we've become so friendly, from '91 on, perhaps you'll do it for sport?" he says to them. The lawyers respond in Italian. Rocky translates. "They don't agree," he says with a grin.

David Sarch, one of Francesca's lawyers, doesn't think this is particularly charming or funny. "Rocky thinks that he can bring Francesca to her knees financially by making the effort much more costly and by delaying," says Sarch.

But the contessa has already proved herself a tough adversary who's likely to go a few more rounds. "When they step on my feet I am very aggressive," she says. "I will never give up." If she prevails, we might have another billionaire family to add to our listing. Then again, we might not. ■

Middle East

Saudi Arabia

Suliman Saleh Olayan

Suliman Olayan is licensee of Colgate-Palmolive, Coca-Cola, Kimberly-Clark, Burger King and other big American companies in his native Saudi Arabia. Now he wants to expand into Kuwait. As his ally, he's lined up an important Kuwaiti merchant family, the Al-Sagars. Abdul Aziz Al-Sagar is the head of the Kuwaiti Chamber of Commerce. The focus will be on high-tech jobs in oil services and telecommunications.

In the U.S., Olayan operates as Crescent Diversified Ltd. and Competrol Real Estate, located in New York. He owns just over 5% of CS First Boston, plus stakes in Chase Manhattan (5%), J.P. Morgan and First Chicago. At 72, he still calls the shots but has turned over some of the day-to-day operations of his $1 billion empire to his four children. —R.K.

Al-Rajhi family

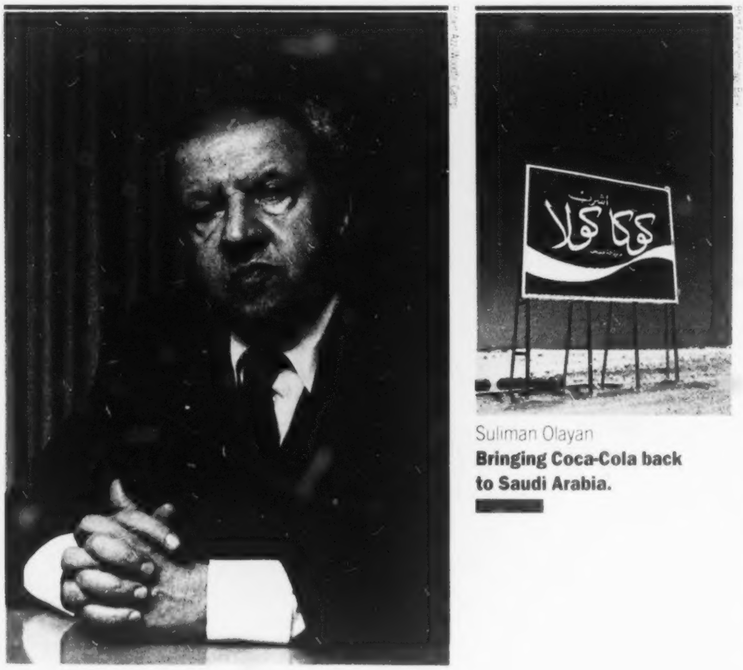
When Iraq stormed Kuwait, panicky Saudi depositors stormed banks. Rumors swirled that Al-Rajhi Banking & Investment Corp. (assets, $4.9 billion) had a jet flown in stuffed with U.S. dollars to pay depositors.

Whether it's true or not, the rumor attests to the Al-Rajhi brothers' reputation for absolute business rectitude as well as religious devotion. Because the Koran proscribes interest, the brothers (Sulaiman, Saleh, Abdullah and Mohamed) benefit from very low cost of funds; their bank earns an astounding 6% return on assets. On the basis of the bank's value on the Saudi stock exchange, the Al-Rajhis' 50% is worth about $1.8 billion. Add to that over $1 billion made in the oil boom years.

The Al-Rajhis specialize in offering below-market rates to finance trade; so as not to earn interest, they buy their commercial customers' inventories and resell them at a markup. So far the brothers have dealt mainly with Japanese and European trading companies. But, according to Mardig Haladjian of Cyprus-based Capital Intelligence, the Al-Rajhis are now interested in developing links to U.S. import-export businesses. —R.K.

Kuwait City after the war

The cost of replacing stolen goods could reach $10 billion.



Suliman Olayan

Bringing Coca-Cola back to Saudi Arabia.

Eric Bouvet/Odyssey Matrix

New mood in the Gulf

The Kuwaiti government may finally start serious work on rebuilding the country late this summer, or maybe fall. "But why should the private sector wait?" demands a Kuwaiti banker.

The Gulf war has changed Gulf attitudes, nowhere more than here. The private sector is as little as 20% of the total economy—the government owns the oil and most people are on an official payroll. But it is a crucial 20%. Kuwait imports almost everything, mostly through the private sector. The Iraqis looted everything, down to bathroom fixtures.

Shrewd businessmen smell opportunity. "I'm going to live in bad conditions, sacrificing my comfort so I won't miss out," says Sami Shammas, a modestly wealthy Kuwaiti contractor. He rushed home from the U.S. in early April, after signing up new U.S. suppliers. Now, the emergency phase over, only Kuwaitis may bid on contracts, which means foreigners must find Kuwaiti agents or partners. Kuwaiti merchants are scrambling to bring back employees and get to work.

The two Kuwaiti billionaire families—suspended from our list until the dust settles—sent members back home early. The Al-Ghanims' automobile distributorships reportedly lost 7,000 cars to the Iraqis. They have ordered more than 8,000 new ones, GM's single largest international order ever. Staffers scour the U.S. for other goods.

The Al-Kharafi family is even better situated. Their construction firm, one of the largest in the Middle East, already has a contract. Mohamed Al-Kharafi is chairman of the National Bank of Kuwait, the only bank whose assets were not frozen during the war. Over 20 branches are operating in Kuwait; the London office is issuing hundreds of letters of credit a day.

Then there's Saudi billionaire Suliman Olayan's ally, the old Kuwaiti merchant family Al-Sagar. A.H. Al-Sagar & Bros.' Wael Al-Sagar assesses the future. The invasion of Kuwait showed the Gulf Arabs how important political cooperation is in the region, he says. He foresees a kind of Gulf common market, because economic links can reinforce common political interests. Kuwaiti merchants, he says, would let other Gulf companies compete in Kuwait if they could compete elsewhere, too—a big departure from old protectionist habits. Al-Sagar says he's heard such talk from Saudis.

"The war," he says, "showed the cause is one and the fate is one." Cooperation between Arab states has been often discussed but seldom seen. Perhaps this time will be different. –R.K.

Saleh Abdullah Kamel

With an up-from-nothing fortune estimated at $1.1 billion, well-connected Kamel is new to the world billionaires fraternity this year. A former Ministry of Finance controller, Kamel, now in his 50s, joined a Saudi prince in a licensing deal with the U.S.' Avco Corp. (now part of Textron) in the 1970s and won government contracts to maintain airports and provide water and light to entire cities. One division of Dallah-Albaraka, Kamel's master company, holds the kingdom's only license to teach driving and give out permits.

A devout Muslim, Kamel started his own Islamic banking empire (Albaraka) in the early 1980s. (Islamic banks obey the Koran's stricture against *riba*, or interest, and instead make their money through fees and sharing in profits.) Kamel's Albaraka bank (1989 assets, $4 billion) supplies venture capital, and sometimes takes deposits, in underdeveloped countries with large Muslim populations, including Tunisia, Egypt, Mauritania, Sudan, Bangladesh and Pakistan. It does business in England, too. Albaraka also has offices in Chicago, Pasadena and Houston to invest in real estate, mergers and acquisitions, and to finance trade. It also works through Intercap Investments, a New York merchant bank specializing in Islamic banking. Kamel's brother Hassan runs the bank day to day.

Kamel knows the value of public relations. When Saddam Hussein occupied Kuwait and Kuwaiti dinars became worthless, Kamel offered Kuwaitis stranded outside the country preinvasion exchange rates. (Kuwait paid off 100%.) Suppose Kamel wants a bank license in Kuwait and seeks lucrative maintenance contracts. Many Kuwaitis will doubtless remember kindly the man who purchased their worthless dinars. –R.K.

Abdul Latif Jameel

Abdul Latif Jameel, now in his 70s, built a near-$2-billion fortune on his Toyota franchise; it remains the heart of his empire and accounts for 40% of the Saudi car market.

Investments in U.S. real estate (Jaymont Properties) and U.K. car distributors (Hartwell Plc.) may have problems, but Abdul Latif Jameel Co. made $3 billion in sales in 1990, partly thanks to Toyota truck orders

Eric Bouvet/Gamma-Liaison

Abdul Latif Jameel
No complaints about Japan's contribution to the Gulf war.

as one of Japan's contributions to the Gulf war.

Mohammed Jameel, one of three U.S.-educated sons, is learning the business. –R.K.

Bin Mahfouz family

The Bin Mahfouz family name has come up in reports of Clark Clifford's scandal-stained First American Bankshares. The Bin Mahfouz were big holders of BCCI, the money-laundering bank that appears to have secretly controlled First American. But the Saudi family is out; they sold their 20% of BCCI over a year ago. The heart of their fortune is 60% of National Commercial Bank (NCB), Saudi Arabia's largest bank (1989 assets, $23 billion). They also have a Luxembourg-based holding company for investments in the U.S. and Europe. In New York they own bond dealer Langdon P. Cook and Eastbrook, a trading company for Latin American and Asian produce.

NCB has been stuck with bad loans to lesser Saudi royals. Patriarch Salim Ahmed Bin Mahfouz is stepping aside; Khalid Bin Salim Bin Mahfouz, 44, one of the three brothers working at NCB, seems to be taking over.

The family is worth upwards of $2 billion. –R.K.

Juffali family

Through E.A. Juffali & Bros. (sales, $850 million), brothers Ebrahim, Ahmad and Ali Juffali represent some 60 foreign companies in Saudi Arabia, including IBM, Mercedes-Benz and Michelin, and have joint ventures with the likes of Siemens and Du Pont. This $1 billion family installed air conditioning in the king's Taif palace and still seems to enjoy the royal nod: The Juffalis' joint venture with Siemens recently won a contract for a cancer center for King Abdel-Aziz Hospital. Their foreign investment arm, Enpro International, is in New York. –R.K.

Lebanon

Safra brothers

The cosmopolitan Safras were born and bred in Beirut, fled to Brazil in the late 1940s and made most of their money in New York, Brazil and Europe. Edmond Safra controls 29% of $29 billion (assets) Republic New York Corp., a capital-rich holding company for Republic National Bank of New York. Republic also owns Manhattan Savings Bank. In Geneva Edmond directly owns 20% of Safra Republic Holdings (assets, $8.4 billion), while Republic New York has another 48.6%.

Last November, Edmond's younger brothers, Joseph and Moise, owners of Brazil's Banco Safra (assets, $2.2 billion), paid an estimated $35 million for a controlling interest in First International Bank of Israel ($3.5 billion), Israel's fifth-largest and most profitable bank.

What will the Safras, now worth more than $1 billion, buy next? Edmond Safra's Republic says it is looking to acquire banks in the greater New York area. –R.K.

Rafik B. Hariri

Rafik Hariri, 46, worth some $2.5 billion from Saudi Arabian construction contracts and maintenance projects, owns Houston's Texas Commerce Tower and pieces of French banks. A patriotic philanthropist, he has lent over $100 million, interest-free, to Lebanese students studying in the West. He's also financed nearly 20% of the student body in Lebanese universities. With the end of Lebanon's civil war, look for Hariri to play a major role in the country's reconstruction. –R.K.

Turkey

Vehbi M. Koc

Koc Group, Turkey's largest conglomerate (1990 sales, $9.4 billion; estimated net worth, $3 billion), is selling tea, cigarettes, flour, razor blades, even refrigerator parts to the Soviet Union through its trading company. It's also selling consumer goods on consignment in Hungary, Czechoslovakia and Poland. In fact, Turkey hopes to create a Black Sea Cooperation Zone consisting of itself plus the Soviet Union, Romania and Bulgaria. Explains a Koc trading company executive: "We want to enter the EC but we're frozen; we work with the Middle East and North Africa but they're unreliable; so we are flirting with the East. If we're refused com-

Greg Mermel/Sipa

Vehbi Koc

Flirting with the East.

mon market status, at least we'll have found something."

Although Rahmi Koc, 59, runs the business, his father, Vehbi Koc, 90, who started as a grocer, is said to have the last word on big decisions involving the 99 Koc Group companies in everything from electronics to construction to banking to automobiles. Koc, a licensee of Peugeot and a joint venture partner with Ford and Fiat, sold a whole year's worth of cars in the first six months of 1990, before the Gulf war spooked the Turkish market. –R.K.

Nejat F. Eczacibasi and family

Nejat is another new name among the world's billionaires. In 1909 the Izmir city council bestowed the title of Eczacibasi, or head pharmacist, on Nejat's father. Some 40 years later Nejat founded Turkey's first pharmaceutical plant. Today Eczacibasi Holding A.S. (1990 sales, $1 billion) is a major conglomerate, with 30 companies in pharmaceuticals, personal health care and industrial raw materials. The company's estimated worth is upwards of $1 billion.

Greg Mermel/Sipa

Nejat Eczacibasi

Turkey's biggest pharmacist.

Nejat studied chemistry at the universities of Heidelberg, Berlin and Chicago. During World War II he won fame for producing a vitamin unavailable at the time. After the war Eczacibasi produced drugs under license from Upjohn and other big foreign drugmakers. With two pharmaceutical factories built, he branched out into personal care products and industrial raw materials. Joint venture deals with Procter & Gamble (diapers and feminine hygiene products) and James River Corp. (tissue paper) followed.

Like the Koc Group, Eczacibasi eyes the Soviet market. "The Middle East is 100% unreliable," says an executive, "the Soviet Union, only 50%."

Nejat, 77, is still Eczacibasi's chairman but brother Sakir, 62, and son Bulent, 42, run the business. Son Faruk, 37, oversees their small computer business. Now a patron of the arts in Istanbul, Nejat plays the violin and collects Turkish paintings. He started Istanbul's Foundation of Culture & Arts, which has hosted the New York Philharmonic and the Bolshoi Ballet. –R.K.

Sabanci brothers

Sabanci Holding A.S., Turkey's second-largest industrial conglomerate (1990 sales, $3 billion), is forging more overseas links: with Du Pont to make industrial yarn; with Toyota and Mitsui to produce 100,000 cars a year in Turkey; and with Philip Morris to make Marlboros, Chesterfields and Parliaments. Founded in the 1930s by Haci Omer Sabanci, the company is run by his five sons. Sakip, 58, is chairman; Haci, 57, runs food, cement and textiles; Sevket, 56, international; Erol, 55, banking and insurance; and Ozdemir, 54, automotive and plastics. Last year the family bank, Akbank, went public on the frail Istanbul stock exchange.

The brothers' fortune is estimated at $1.5 billion. –R.K.

Citizen of the World

The Aga Khan IV

The Aga Khan, spiritual leader of 15 million Ismailis and recipient of an annual 12% of their income—a tribute known as *zakat*—maintains a comfortable lifestyle on his estate in Aiglemont (outside Paris) with his wife and their three children. He owns about 700 racehorses and 7.5% of Giovanni Agnelli & Co., which indirectly holds Fiat's stock. Through his own holding company, Fimpar SpA, the Aga Khan has 50% of Milan-based Ciga SpA, a group of 36 luxury hotels throughout Europe, and controls two small Italian airlines, Alisarda SpA and, through it, Avianova.

The Aga Khan, 54 and a Harvard alum ('59), is also reputed to have a huge stock portfolio. –M.K.

The Americas

Colombia

Pablo Escobar Gaviria

Following the Ochoa brothers' example, cocaine kingpin Pablo Escobar Gaviria turned himself in once the Colombian government assured him that he would not be extradited to the U.S. On June 20 he checked into a mountaintop prison overlooking his hometown of Envigado. The drug lord, as part of a decade-long patronage effort, donated the site as a university campus. Escobar has been accused of ordering the murders of judges, policemen and anyone else who got in his way. A lot of people have scores to settle with him. He had the "prison" built to protect himself.

"A great many Colombian policemen are making a fortune protecting Pablo Escobar, another great many are making money chasing him," said cocaine industry analyst Rensselaer Lee last month. "It's almost as if Pablo Escobar represents everyone's vested interest in maintaining the status quo."

Despite the Colombian government's recent crackdown on the cocaine cartel, much of Escobar's distribution network remains intact. The government may not want to destroy it altogether. The billions of *narco* dollars flowing back into Colombia give that country one of the strongest economies in Latin America. When the authorities attack, say Drug Enforcement Agency sources, Escobar and friends fall back on long-hidden stocks of cocaine, and new traffickers appear to fill any supply shortfalls. First among them, the Cali cartel, less violent, less threatening to the Colombian government, and little damaged so far. There are many others. The "democratization" of the cocaine trade may be the main legacy of Colombia's crackdown.

Escobar, 41, is the most bloodstained *narco*, and also the richest. Impossible to measure precisely, but a multibillionaire. –J.M.

Ochoa family

Sitting on one of Latin America's biggest fortunes, the violent Ochoa brothers negotiated their surrender to Colombian authorities starting last December. They now run their lucra-

Photos by Carlos Humberto/Contact

Drug king Pablo Escobar Gaviria and some Colombian holdings: a Medellin hacienda (left) and a private zoo

"A great many Colombian policemen are making a fortune protecting Escobar."

tive cocaine producing and exporting enterprise from comfortable prison cells in Bogota, beyond the reach of U.S. justice. Last month Colombia's parliament approved a new constitution that bars the extradition of Colombian criminals.

"The Colombians have never shown much interest in prosecuting the Ochoas," says Richard Gregorie, the former South Florida prosecutor who spent most of his career with the Justice Department trying to bring them to trial in Miami. The brothers—Jorge Luis, 41, Juan David, 43, and Fabio Ochoa, 34—were among the first "extraditables" to make peace with the Colombian government; their father, Fabio Sr., 67, supposedly retired, remains unjailed.

According to Drug Enforcement Agency sources, the seizure of Ochoa-owned assets in Colombia seems not to have dented the Ochoas' fortune, estimated at over $2 billion. "At most only about $230 million in property has been seized" from all the traffickers, the Ochoas included, says one source. And most of that has been returned on appeal to front operatives who have claimed title.

As cocaine use slows in the U.S., the Ochoas and other *narcos* have increased shipments to Europe and are testing the Far East. While 1990 was hardly a banner year, cocaine remains a lucrative business for Colombia—and will as long as a kilo can be delivered in Miami for $10,000 and sold wholesale for $20,000, as is the case now. –J.M.

Antonio Ribeiro/Abril Imagens

ANTONIO
ERMIRIO
AGORA TEMOS
EM QUEM VOAR

Samuel Iavelberg/Abril Imagens

LEFT:
Ermirio de Moraes
Collor supporter turns tough critic.

ABOVE:
Roberto Marinho
Profits roll on soaps and soccer.

Brazil

Ermirio de Moraes family

"Brazil," a national slogan goes, "is the country of the next century." Many add: "And always will be."

The old quip has a sour ring this year. By first seeking to vanquish inflation by cutting public spending and freezing private speculation and prices—and then losing his nerve halfway—President Collor has mainly succeeded in giving Brazil both hyperinflation and a deep recession.

Antonio Ermirio de Moraes, 63, who controls his family's $1.6 billion (book value) Votorantim, Brazil's biggest private conglomerate, was a strong backer of Collor. Now he is a bitter critic.

"Months of turmoil" is what Ermirio de Moraes predicted for Brazil in October, when Collor announced a one-year freeze on bank deposits. Turmoil for Votorantim, certainly: Some $500 million in its cash was frozen, at least until late this year. Votorantim has laid off 3,000 employees and cut back investment. "Businessmen should forget about investing here," he gloomily told reporters. Votorantim's money is supposed to be released in stages, but many think the impoundment will prove an effective form of taxation. No developing economy needs to increase taxes. –J.M.

Roberto Marinho

Marinho, 86, owns Brazil's Rede Globo, the world's fourth-largest TV network (after ABC, CBS and NBC). He has long been at the center of Brazil's political ring. There are long-standing ties between him and the family of Brazilian President Fernando Collor de Mello.

Rede Globo emphatically endorsed Collor de Mello when he ran for president in 1989. But its support for Collor sympathizers in local and state elections last October was at best lukewarm. The pro-Collor slate was crushed.

Marinho says he still backs President Collor and his harsh economic austerity plan, even though it hurts Marinho's interests in magazine and newspaper publishing, cattle ranching and real estate. But losses there have been offset by gains in broadcasting. TV ad revenues were up again last year, thanks to Brazil's love affair with soccer; Globo broadcasts the World

Cup soccer matches. Newly divorced and still active in his many businesses, Marinho faces Brazil's recession with deep pockets. His fortune is worth upwards of $1 billion. –J.M.

Sebastiao Camargo

The government construction projects for Camargo's $5 billion (sales) construction empire, Camargo Correa, have dried up under Brazilian President Fernando Collor de Mello's anti-inflation policies. So Camargo, worth $1 billion, is diversifying. One investment: part of Alpargatas, Latin America's biggest apparel maker.

The company's leadership may be changing, too. Last year Sebastiao Camargo, 82, announced his successor, longtime employee Werner Schmidt Rehder. In mid-June the heir apparent was kicked upstairs to an advisory board while the old man resumed his duties as president. One of his three sons may eventually run the company. But, with 93% of the stock, family control is safe. –J.M.

Mexico

Carlos Slim Helu

In 1982 Mexico's economy collapsed, banks were nationalized, the stock market crashed and panicky Mexican businessmen started dumping their companies. Carlos Slim Helu bought. As a result Slim, 51, and new among the billionaires this year, is probably the richest businessman in Mexico. His family's 70% stake in holding company Grupo Carso (13.5% is public) plus other holdings were recently worth $1.7 billion.

Sergio Dorantes

Carlos Slim Helu

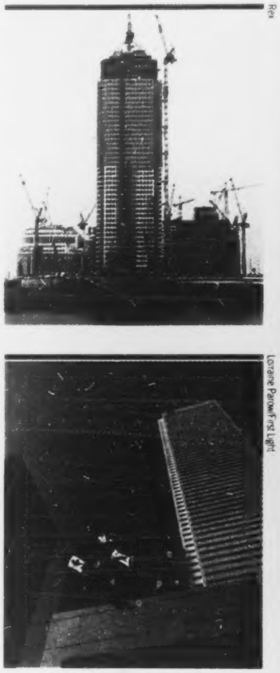
When Mexicans panicked, he bought.

The son of a Lebanese immigrant, Slim was born in Mexico City and worked in his father's general store. He studied civil engineering and taught algebra at Mexico City's UNAM. But in 1965 the entrepreneurial itch won out: Slim started a construction and real estate business and a stock brokerage firm, Inbursa.

In 1976 Slim bought a small printer of cigarette pack labels. Five years later he bought one of its biggest customers, Cigatam. Cigatam had only 27% of Mexico's cigarette market. But one of its licensed brands was Marlboro. By improving distribution and beefing up advertising, Slim used Marlboro to build Cigatam's share to 42%. (Philip Morris has a minority interest in Slim's company.)

After others panicked in 1982, Slim used the cash flow from his cigarette business to buy Segumex, an insurance company. He later bought a candy company, a paper company, a restaurant/department store chain, a mining company, a copper producer and other businesses. He's still buying. Last December he closed his biggest deal yet when he and partners Southwestern Bell and France Telecom paid $1.8 billion for 20.4% of Telefonos de Mexico, Mexico's telephone company. Mexico has only 6 telephone lines per 100 inhabitants (versus 53 per 100 in the U.S.), so there's plenty of room for growth.

Slim, a shy fellow who likes Cuban cigars, devotes his mornings to Cigatam and his other companies, and his afternoons to Telmex. He tries not to get involved in the minutiae. "My work is to think," he explains. –C.P.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Lorraine Parow/First Light

Paul Reichmann, co-owner of London's Canary Wharf (top) and Toronto's First Canadian Place

Successfully juggling stock and real estate.

Garza-Sada family

Under Mexico's market-oriented President Carlos Salinas de Gortari, the Mexican economy is rapidly entering the late-20th century. Monterrey's powerful Garza-Sada clan is well positioned to benefit from the changes taking place. The family-controlled plastics and chemical power, Grupo Cydsa, has launched a new water treatment division, Altatec, just as environmentalism is becoming a pressing issue. Altatec will clean up industrial sites and bid for municipal water treatment contracts. The cost of cleaning up decades of industrial pollution in Mexico City is estimated at over $20 billion.

One family member, Javier Garza Calderon, lost a bid last December for part of Telmex (Telefonos de Mexico), Mexico's newly privatized telephone monopoly; he was outbid by Carlos Slim Helu *(which see)*. The family's majority-owned steel and petrochemical combine, Alfa, may have more luck when the state's steelworks are privatized later this year.

Through their diversified, publicly held Visa (which, among other things, brews Dos Equis and Tecate beer), the Garza-Sadas once held 77%

of big Banca Serfin. It was nationalized in 1982 and is slated to be reprivatized in the next year. This $2-billion-plus family (which also has a piece of Monterrey's biggest insurance company and the U.S.' Anchor Glass) might yet get Serfin back.–J.M.

Venezuela

Cisneros family

With 25% inflation and a Venezuelan economy still wobbly from the 1980s oil bust, Caracas' billionaire Cisneros family is expanding overseas. In the U.S. the Cisneros brothers—Gustavo, 46, and Ricardo, 42—and their Organizacion Diego Cisneros own Spalding Sports Worldwide, the sporting goods concern, and Evenflo, the maker of baby products. They're on the hunt for other U.S. properties.

The family's Venevision—a radio and television network with 56% of the Venezuelan market—is active in the U.S. Latino market, and is selling Spanish-language programming in Spain. "A good program, like a soap opera, can be worth five times in Spain what it makes in the United States," brags a family factotum. Last year Venezuelan soaps topped the charts in Spain.

At home the brothers are involved in a $1 billion aluminum smelter partnership with France's giant Pechiney and three Italian firms. The Cisneros boys also inked a $100 million deal with PepsiCo's Frito-Lay to make snack food. Organizacion Diego Cisneros is Venezuela's exclusive Pepsi bottler, and licensee for Sears, Gerber, NCR, Digital Equipment and Apple Computer.

Even in a weak economy, the Cisneros fortune now tops an estimated $1.7 billion. –J.M.

Canada

Paul, Albert and Ralph Reichmann

Adam Murza, a property analyst, sharpened his pencil for us and tackled the Reichmann brothers' $6-billion-plus Canary Wharf project in London.

It is the world's largest commercial development and will have about 5 million square feet up by the end of the year, building toward 12 million—20% larger than Manhattan's gargantuan World Trade Center. This project is 100%-owned by the Hungarian-born Reichmanns, now Canadian citizens. Their Olympia & York has already sunk some $2 billion into it. Canary Wharf was designed as a refuge from the rising rents and shortage of space in London's city center, 2½ miles away. But the completed sections are only 53% rented, and competing rents in central London are falling. It is doubtful Canary Wharf will see positive cash flow until after the year 2000. Analyst Murza estimates Canary Wharf will be about $95 million in the red this year.

Are the Reichmanns in trouble? Don't bet on it. The London property recession may be worse than they expected, but that doesn't mean they are running out of cash. Dividends from their nearly $4 billion blue-chip North American stock portfolio, which includes some of Canada's largest companies, would alone cover Canary Wharf's deficit. Then there are tens of millions from their extensive realty holdings in the U.S. and Canada. Having fled wartime Hungary for Morocco, and then built a fortune in Canada, the Reichmanns are old hands at a judicious mixing of boldness and prudence. –T.G.

Charles Bronfman

Citing baseball players' ludicrous salaries (but suffering from bad trades), Bronfman, 60, sold his Montreal Expos in June. Insiders say he's also unhappy with the 17% stake held in Cineplex Odeon, the ailing theater chain, by one of the investment com-

Charles Bronfman (r.) and Buck Rodgers
Au revoir to the Montreal Expos.

panies in his Claridge Group.

Bronfman is doing better with his Israeli investments. These include ECI Telecom; Teva Pharmaceutical; Luz International, a solar energy company; Optrotech, in electronics; and Osem, a big food company. After losing out to fellow Canadian Conrad Black in a bid for the *Jerusalem Post,* Bronfman is backing the new *Jerusalem Report.* Meanwhile, his 17% of Seagram Co. is worth some $1.7 billion and rising. –T.G.

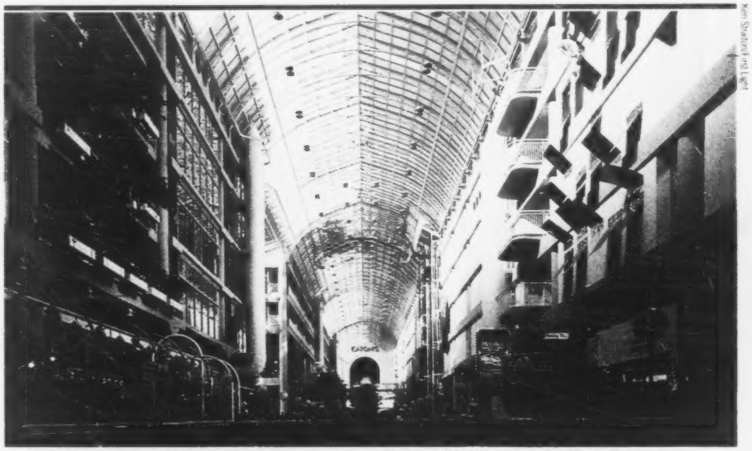
Eaton family

Making cautious, conservative investments in Canada with minimum debt has paid this venerable family and its 122-year-old retailing chain and real estate empire well. Especially now.

Canadian property values are down, but less than in the overbuilt U.S. "The market in Canada is controlled," explains Michael Young, at Toronto- and Dallas-based Gordon & Young. "There are a well-defined number of retailers, financial institutions to finance them and markets. It is harder to overbuild."

The Eatons' retail stores and shopping centers are developments in the very best locations in each of the nation's nine largest cities, so rents stay high, vacancy rates low. Their values have held up better than most, analysts say.

The business stays private: 95 department stores, estimated sales more than $1.7 billion; and the real estate joint ventures in which the Eatons own up to 50%. All this is run by four brothers, great-grandsons of the founder, Irish immigrant Timothy Eaton: Fredrik Stefan, 53; George Ross, 45; and, at the family holding company, John Craig, 54, and Thor, 48. The family is taking one visible hit from recession and increased market fragmentation: Its 53% of Baton Broadcasting was lately worth $87 million, down more than 50% from its 1989 high. While the Eatons control Baton they don't manage it. –T.G.



Brian Condron/Financial Post

Brian Condron/Financial Post

Fredrik (right) and John Craig Eaton
The family's flagship store, Toronto Eaton Centre.

Irving family

The New Brunswick-based Irving family is known for its get-tough tactics, often intimidating competitors and unions to achieve its goals.

Kenneth Colin Irving, 92, started what is now a $5 billion fortune selling gas in 1924. Sons James, Arthur and Jack (known as Oily, Greasy and Gassy, respectively) now run the energy-to-timber-products conglomerate with their father's tough policies.

The boys are taking on New Brunswick's McCain brothers (who quit old K.C. in 1956 to go on their own) in frozen French fries. Last year the Irvings announced plans to expand right across the highway from the McCains' flagship plant—a move partly financed with government assistance in order to lower the cost of capital.

On other fronts, a bitter 11-month strike in an Irving paper mill ended only recently. And the Irvings' Saint John Shipbuilding is playing hardball in the courts against a defense subcontractor, Le Groupe MIL. Each is suing the other regarding Saint John's $5.5 billion frigate contract from the Canadian government. MIL doesn't have the financial wherewithal to lose this battle; Saint John does. MIL's president calls Saint John's lawsuit an attempt to squeeze out its only major Canadian competitor.

In the U.S. the Irvings have expanded their roughly 3,000-gas-station empire into Maine, New Hampshire and Vermont but are shying away from competitive Massachusetts. Folks who do business with the sons say at least one of them cares more about public relations than the old man did. That's good: It looks like the family will need the help. –T.G.

Weston family

After years of piling up cash, Associated British Foods Chairman Garry Weston, 64, made his move: Early this year he paid some $1.4 billion for British Sugar, Europe's third-largest sugar refiner. It is a company he has coveted for years. The seller, Berisford, was desperate for cash to cover debt payments on several bad New York and U.K. real estate investments. Others were interested—including Italy's billionaire Ferruzzi family *(which see)*—but only Garry could pay the price immediately, and in cash.

Gloated London-based Weston to FORBES: "Cash is king at moments like this, and that is what we have been waiting for." Perhaps he was thinking of critics who called him "too unaggressive" as he waited with his cash.

Brother Galen, 50, is supposed to be the aggressive one. He runs Toronto-based George Weston Ltd., which is the family's flagship and majority owner of Loblaw Cos., the major diversified food and supermarkets group. Loblaw has restructured its hypermarkets, okay out West but a flop in urban eastern Canada.

Lately Galen has been building a 412-acre seaside community just north of Vero Beach, Fla. He and his polo pal, Prince Charles, inaugurated the development's two polo fields during the U.S.' January-to-March 1989 season.

Family stock in ABF and George Weston is worth $3.5 billion, of which, perhaps not coincidentally, $2.5 billion is brother Garry's. –T.G.

Kenneth Roy Thomson

Now 67, Kenneth Roy Lord Thomson of Fleet seems satisfied that the family has again produced a capable male heir. In May 1990 son David, 34, moved from helping fix Hudson's Bay Co. (the Thomsons own 73%) to become deputy chairman of the Woodbridge Co., a holding company responsible for managing the family's $6.8 billion fortune.

With its media holdings—smalltown papers and information publications like *Jane's Fighting Ships*—occupying easily defended market niches, Thomson Corp.'s market value has held up better than most media companies. Its U.K. travel business is surviving competition and making money. This family has always kept its eyes focused on the bottom line. –T.G.

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Still number one

Despite the recession, the U.S. still accounts for more $1-billion-plus fortunes than the next two countries combined. There are 64 identifiable individual American billionaires (versus 67 last year) and 32 billionaire families (37 last year). Altogether, they're worth $207 billion, enough to keep the government in business at least a couple of months. Japan ranks second, with 41 fortunes worth at least $1 billion. Germany is third, with 37. The U.S. billionaires will be updated in October in the tenth annual Forbes Four Hundred.

Name/Source of wealth	Net worth ($billions)
Kluge, John Werner/Metromedia	$5.6
Buffett, Warren Edward/Stock market	4.4
Gates, William Henry III/Microsoft	4.4
Devos, Richard Marvin/Amway	4.2
Van Andel, Jay/Amway	4.2
Walton, Sam Moore/Wal-Mart Stores	3.7
Walton, Alice L./Inheritance (Wal-Mart Stores)	3.7
Walton, Jim/Inheritance (Wal-Mart Stores)	3.7
Walton, John T./Inheritance (Wal-Mart Stores)	3.7
Walton, S. Robson/Inheritance (Wal-Mart Stores)	3.7
Perelman, Ronald Owen/Leveraged buyouts	2.9
Wexner, Leslie Herbert/The Limited, Inc.	2.9
Hillman, Henry Lea/Industrialist, venture capital	2.7
Redstone, Sumner Murray/Movie theaters, investments	2.7
Anthony, Barbara Cox/Inheritance	2.6
Chambers, Anne Cox/Inheritance	2.6
Newhouse, Samuel Irving Jr./Publishing, cable TV	2.6
Newhouse, Donald Edward/Publishing, cable TV	2.6
Pritzker, Jay Arthur/Financier, manufacturing	2.5
Pritzker, Robert Alan/Financier, manufacturing	2.5
Arison, Ted/Carnival Cruise Lines	2.4
Bronfman, Edgar Miles/Seagram Co.	2.3
Perot, Henry Ross/Electronic Data Systems	2.2
Taubman, A. Alfred/Real estate, art	2.1
Allen, Paul G./Microsoft	2.0
Koch, Charles de Ganahl/Inheritance (oil services)	1.9
Koch, David Hamilton/Inheritance (oil services)	1.9
Feeney, Charles F./Duty Free Shoppers	1.9
Mars, Forrest Edward Sr./Candy	1.7
Mars, Forrest Edward Jr./Candy	1.7
Mars, John Franklyn/Candy	1.7
Vogel, Jacqueline Mars/Candy	1.7
Anschutz, Philip Frederick/Oil, railroads	$1.7
Annenberg, Walter Hubert/Publishing	1.7
Packard, David/Hewlett-Packard	1.7
Helmsley, Harry Brakmann/Real estate	1.7
Bren, Donald Leroy/Real estate	1.6
LeFrak, Samuel Jayson/Real estate	1.6
Bass, Robert Muse/Oil, investments	1.6
Davis, Marvin Harold/Oil, entertainment, real estate	1.6
Crown, Lester (and family)/Inheritance, industrialist	1.5
Hunt, Ray Lee/Inheritance, oil, real estate	1.5
Murdock, David/Investments	1.5
DeBartolo, Edward John/Shopping centers	1.4
Bechtel, Stephen Davison Jr./Engineering, construction	1.4
Bass, Lee Marshall/Oil, investments	1.4
Bass, Sid Richardson/Oil, investments	1.4
Ludwig, Daniel Keith/Shipping, real estate	1.4
Getty, Gordon Peter/Inheritance (oil)	1.3
Stern, Leonard/Pet supplies, real estate	1.3
Kerkorian, Kirk/Investments	1.3
Tisch, Laurence Allan/Loews Corp.	1.2
Tisch, Preston Robert/Loews Corp.	1.2
Rockefeller, David/Inheritance, banking, real estate	1.2
Cargill, James R./Inheritance (Cargill)	1.1
Cargill, Margaret/Inheritance (Cargill)	1.1
Cooke, Jack Kent/Real estate, investments	1.1
Carlson, Curtis Leroy/Entrepreneur	1.1
Ziff, William Bernard/Publishing	1.0
Hill, Margaret Hunt/Inheritance (oil)	1.0
Gaylord, Edward Lewis/Media, real estate	1.0
Icahn, Carl Celian/Financier	1.0
Knight, Philip Hampson/Nike	1.0
Turner, Robert Edward (Ted) III/Turner Broadcasting System	1.0

U.S. family fortunes estimated at over $1 billion

Name/Source of wealth	Net worth ($billions)
du Pont/Inheritance (Du Pont)	$10.0
Rockefeller/Oil	5.2
Dorrance/Campbell Soup	5.2
MacMillan/Cargill, Inc.	4.4
Mellon/Inheritance	4.4
Hearst/Inheritance (media)	4.3
Milliken/Textiles	3.0
Haas/Levi Strauss	2.6
Busch/Anheuser-Busch	2.5
Upjohn/Inheritance (Upjohn Co.)	2.0
Phipps/Inheritance (steel)	1.9
Hughes/Inheritance	1.8
Lauder/Cosmetics	1.6
Disney/Walt Disney Co.	1.5
Ford/Inheritance (Ford Motor)	1.5
Rudin/Real estate	1.5
Hall/Hallmark Cards	$1.5
Reed/Timber	1.4
Wattis/Inheritance (Utah International)	1.4
Nordstrom/Retailing	1.4
Kleberg/King Ranch	1.3
Blaustein/Inheritance (oil)	1.3
Scripps (E.W.)/Inheritance (newspapers)	1.3
Davis/Winn-Dixie	1.3
Chandler/Times Mirror	1.3
Bancroft/Inheritance (Dow Jones)	1.2
Allen/Stock market, real estate	1.1
Field/Inheritance, media	1.1
Hoiles/Publishing	1.1
Pitcairn/Inheritance (glass manufacturing)	1.0
Lilly/Pharmaceuticals	1.0
Collier/Real estate	1.0

Japan

real estate

●

Yoshiaki Tsutsumi

Tsutsumi may no longer be the world's wealthiest businessman. Then again, he just might be by far the richest. Here's the tale:

FORBES' estimate of Tsutsumi's wealth has been edging down over the years—his Seibu Railway stock ($27 a share) fell, we've found some debt, and the yen is off its peak. Tsutsumi, once worth over $18 billion by our estimates, looks more like $14-billion-plus. Meanwhile, Taikichiro Mori *(see below)* edged up, to $15 billion.

So Mori's the richest, right?

Not necessarily. Tsutsumi's wealth is held through his holding company, Kokudo Keikaku. His direct ownership is 40%, which is the basis for our estimate of his fortune. Trouble is, FORBES has never been able to figure out who owns the other 60%. There is speculation that some—maybe all—is controlled by Yoshiaki Tsutsumi. If so, he's worth close to $35 billion.

Now 57, Tsutsumi inherited his vast real estate-based fortune from his father, who founded Seibu Railway and accumulated huge land holdings at end-of-World-War-II prices. He takes risks—witness his big resort projects in isolated areas of the nation where Japanese have not traditionally traveled—but he finances them conservatively. Keiji Onuma, in a recent book on Tsutsumi, suggests that Seibu Group uses Tsutsumi's political connections to secure cheap loans from government-affiliated banks for regional development.

Onuma thinks Tsutsumi is entering tougher times. Seibu Group, he argues, is overcentralized, and the huge Japan Railways companies are starting to compete with Tsutsumi in the resort business. The good news for Tsutsumi is that the 1998 winter Olympic Games will be held in Nagano, where he has a lot of resort property. At $14 billion—or $35 billion—the Tsutsumi fortune will not vanish. But making it grow will become more difficult. -G.E.

LEFT:
Yoshiaki Tsutsumi with Prime Minister Kaifu
Ah, connected.

RIGHT:
Taikichiro Mori
Yield 2% to 5%. Mortgage 8%. Result: trouble.

●

Taikichiro Mori

Mori, 87, has accumulated $15 billion worth of real estate assets in his hometown of Minato-ku, a top Tokyo business district. But he's worried about the future. Tokyo land prices have climbed so high, he tells FORBES, that returns on office building investments have dropped to 2% to 5%.

"Let's say you buy office building lots for Y25 million per square meter in Minato ward [$17,294 per square foot], for a seven-floor building," says Mori. After construction costs, the total investment will be $5,000 per square foot of rentable space. Typical rent is $165 per square foot per year. The yield: about 3%. That's before maintenance and taxes—and debt. With Japanese mortgage rates at 8%, only buildings on inexpensive land, financed with lots of equity, can carry themselves. "Unless you acquire cheaper lots, it's impossible to make money buying land and putting up buildings in Tokyo," says Mori.

Mori himself is in relatively good shape. With a more than 25-acre reserve of undeveloped land in Tokyo and his office rents rising, Mori still develops new buildings. But, he says, "It's sort of gambling" on rents' continuing to rise. And Mori has never been much of a gambler. -H.A.

●

Kitaro Watanabe

Watanabe, whose main company is Azabu Building, is known to Americans as the supplier of funds to corporate raider T. Boone Pickens for his purchase of 26.4% of Japan's Koito Manufacturing. (According to Japanese press reports, Pickens sold the stock back to Watanabe in June at the same price at which he purchased it.) The Japanese press called Watanabe the "alchemist" for his apparent ability to create wealth from rank speculations in stock and land in the late Eighties.

But the party is over for 57-year-old Watanabe. Azabu Building said in January its banks will force it to sell much of its property, especially in Tokyo, to reduce borrowings by $1.5 billion and stanch negative cash flow.

Azabu is land rich. It has Tokyo property worth perhaps $12.1 billion even at current prices, and debt of around $4.4 billion. The problem is, Japan's property market has ground almost to a halt as the Ministry of Finance has clamped down on real estate loans, and the Bank of Japan has jacked up interest rates. Moreover, Watanabe owns a lot of scattered small sites off main streets. They're great to own when people are bidding eagerly to assemble big building sites; terrible now.

Forbes obtained an Azabu Building balance sheet (for the 1988-89 fiscal year), which showed only $127 million cash and $425 million securities left in liquid assets—and that was over a year ago. Azabu Group has to pay over $750,000 interest per day. "It might be pretty soon that Azabu won't be able to pipe cash into the interest payments," worries a source at one of Watanabe's lenders. But for now Watanabe remains, on paper, a billionaire. –H.K.

●

Eitaro Itoyama

Bounced out of the Lower House in the 1990 elections, Eitaro Itoyama, 49, is paying more attention now to Shin Nihon Kanko Kogyo, his company that runs golf courses and other leisure facilities, and to the substantial real estate holdings he inherited from his father.

The holdings are probably worth $2.9 billion, net. He also owns a large investment portfolio that was built, he tells Forbes, mainly after the 1990 stock market collapse. "It's the time for moneymaking, when many neighbors [i.e., market participants] earn losses."

Itoyama says Donald Trump approached him last year to buy New York's Plaza Hotel. Itoyama says he said no, figuring further declines in real estate in New York were "unavoidable." (A spokesman for Trump avers: "The Plaza has never been for sale.")

Itoyama plays tennis and watches marathons, which he compares to life. "There are ups and downs of fortune in a long life," he says. "Trying to run the whole distance is the most important." –J.I.

●

Genshiro Kawamoto

When other Japanese property billionaires were buying U.S. office buildings and hotels, Kawamoto, 59, invested a total of $700 million to buy and build houses in Hawaii and in California's Santa Rosa and Sacramento areas. His rationale: liquidity. "I will never buy the property which cannot be sold easily," he says. "You may have to sell your property sometime. And when you think of it, who can buy an office building or a hotel at astronomic prices?" But Kawamoto is more a holder than a seller. Except on Maui, all his U.S. houses are for rent.

In Japan, Kawamoto's Marugen K.K., worth over $1.2 billion, owns thin "pencil" buildings, full of bars

Robert Wallis/JB Pictures

Genshiro Kawamoto

The search for liquid land.

and night spots, that dot the Ginza. But he has no interest in Japanese residential real estate. "It's impossible," he explains, "in Japan for a landlord to cancel a lease for his own benefit." –H.A.

●

Masao Nangaku

The founder and owner of Minami Group, Masao Nangaku, 72, built a $1.3 billion fortune out of consumer electronics shops and astute real estate investments. In the late 1980s he bought a German castle, a collection of jeweled sculptures by Dali, Hawaiian forests and Las Vegas' Dunes Hotel & Country Club. The Nevada Gaming Commission finally granted him a permanent casino license last April. Several weeks later he reportedly began negotiating the sale of the Dunes property. –H.K.

●

Tada family

Katsumi Tada—personable, energetic, and new on this year's list—had a flash early in life: "I didn't want to become a salaryman." So in 1974, at age 28, he started what became Daito Trust Construction in Nagoya. Daito thrived by carving out a smart niche: urban farmland development.

Japanese cities are dotted with undeveloped parcels. They are often planted with fruit trees or other crops, to qualify as "farms," which are subject to minuscule property taxes. But when the owner dies the land is taxed at huge rates. Tada's firm helps older landowners reduce estate taxes by developing their plots. Average age of Daito's clients: 70. He offers one-stop service: construction and rental management and tax planning.

Tada and family's shares in Daito Trust Construction were recently worth $2.3 billion, and demand for his services is likely to keep growing fast. Pressure is building in Japan to end the urban farmers' tax breaks, so as to ease the pressure on property prices. Tada sees a downside to a bigger market. "More companies will be attracted and there will be more competition," he worries. But with virtually no debt and nearly $600 million in cash, Tada will be no pushover. –G.E.

●

Hirotomo Takei

On June 11, Tokyo police arrested Takei, 70, and charged him with evading taxes on some $40 million in profits from stock trading in 1987-88. Takei allegedly bought and sold shares on the basis of inside information provided by Mitsuhiro Kotani, a wheeler-dealer arrested and on trial for alleged security violations and blackmail related to two listed firms. Kotani's scandal brought down several ranking businessmen, but none had profited more than Takei. His Chisan group of over 25 companies—in real estate, hotels, golf courses, restaurants, food and publishing—is still worth $4.5 billion. But his honor is in shreds. Asked to comment on the relationship between Takei and Kotani in the spring, a Takei associate said: "Everything will be disclosed within a month." –H.A.

●

Yoshimoto family

Anyone who doubts a credit crunch is squeezing Japan's real estate market hard should talk to big Osaka landlord Haruhiko Yoshimoto. "Mr. [Yasushi] Mieno, governor of the Bank of Japan, is one of the really bad guys in this world, along with Saddam Hussein," grouses Yoshimoto. He adds that Japan will face real recession unless the Bank of Japan drops interest rates (the current discount rate is 6%) or the Ministry of Finance quickly lifts restrictions on real estate borrowings. The crunch, Yoshimoto confides, forced him to withdraw from a construction project near Osaka's new airport, and to stop building a resort in southern Japan.

Even with Osaka real estate values down perhaps 30% on average in the past year, the family property holdings are worth around $3 billion. But Yoshimoto says he is considering diversifying—into computer components manufacturing. –H.K.

●

Heizo Kobayashi

"There is nothing more terrifying than a debt, a fool or a leak in a roof," Kobayashi, 78, told FORBES. No fool, his buildings don't leak and he has no debt; his $1 billion worth of properties in Shinjuku, a bustling Tokyo entertainment and shopping district, are virtually unleveraged.

Born the seventh son of a farmer, Kobayashi arrived in Tokyo in 1931. He opened a charcoal shop and later, after the war, pachinko parlors, restaurants, a supermarket. The cash flow went into buildings. To circumvent some of the tough laws regulating landlords, he likes to set his tenants up in business, taking 20% of their sales as rent. Unlike Shinjuku's fashionable buildings, Kobayashi's Sanpei buildings are somewhat shabby. "Perhaps it's time for refurbishing," he sighs. "But I hate to borrow money." –H.A.

●

Takenaka family

The Takenaka family, worth an estimated $5.4 billion, traces its roots to a 17th-century samurai. These days the Takenakas often build abroad, but their company, Takenaka Komuten, makes most of its money in the protected Japanese market. Renichi Takenaka, 80, is chairman. President is his son Toichi, 48, who earned his M.B.A. from the University of Michigan. –N.H.

Yoneichi Otani and family

Yoneichi Otani, 75, and family are worth $5 billion, mostly from Hotel New Otani, one of Japan's biggest hotel chains. The New Otani chain, which now numbers 14 hotels in Japan and 4 overseas, including hostelries in Los Angeles, Honolulu and Singapore, was started by Yoneichi's father, a onetime sumo wrestler. The real wealth is not in the hotels themselves, but in the valuable Japanese land under them. –H.A.

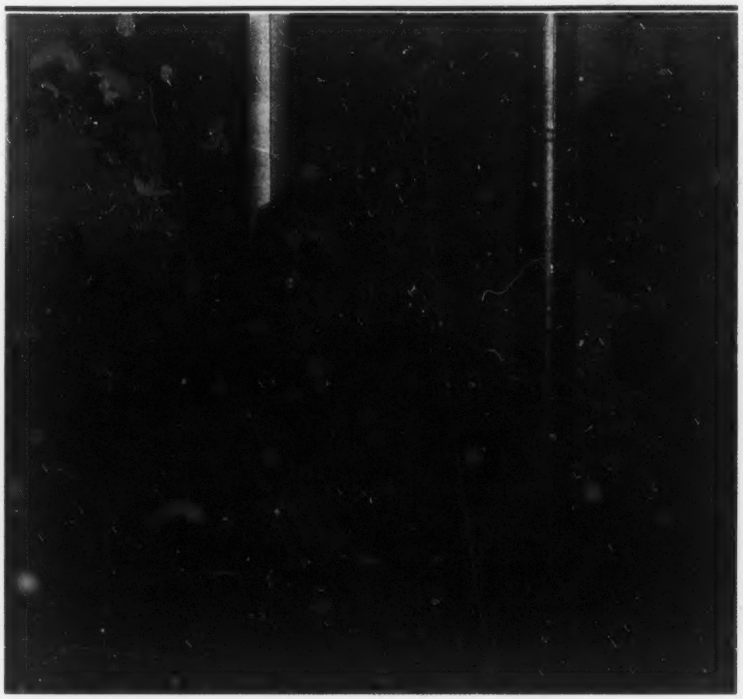
Tamesaburo Furukawa

At 101, Furukawa is the world's oldest known billionaire. He still heads the Herald Group he founded. It imports U.S. movies and produces Japanese movies; owns and operates theaters; manages resorts and restaurants. Several grandchildren in the family-held business are cautiously branching out into producing rental videotapes and programming for cable television.

Furukawa says he plans to live to 120. Don't bet against him. His day starts around 5 o'clock and he devotes his first hour to lightly exercising his limbs and massaging his face. Other secrets? "Not to worry, do work that serves other people, use your head, move your body, eat good food." –N.H.

Ken Hayashibara

Ken Hayashibara, 49, has used the cash flow from his real estate empire in Okayama, four hours from Tokyo, to fund biotech research. His natural human alpha interferon drug has been licensed in Japan to fight kidney cancer; clinical trials are now in process to determine if the drug is effective against AIDS. With $3 billion in assets behind him, Hayashibara, whose family started out in the candy business, is rapidly expanding his research institute. The biotech facility has been inundated with researchers' resumes. –H.A.



Robert Wallis/JB Pictures

Rinji Shino, at home with Japanese art

It can be a comfort, having a smart daughter around.

Yohachiro Iwasaki

Yohachiro Iwasaki, 89, started poor, bought land in southern Japan when it cost next to nothing and developed extensive resorts. In recent years he has built resorts as far away as Australia and Mexico. His eldest son, Fukoza Iwasaki, 65, now runs the business, which is worth at least $2.8 billion. –N.H.

Rinji Shino

How un-Japanese: Rinji Shino's daughter Shigeko, 49, runs Meiko Group, nerve center of the aristocratic family's $3 billion real estate empire. This gives her 83-year-old father time to enjoy his various possessions: the elegant traditional Japanese wooden residence on eight acres in Wakayama, west of Osaka; residential property in Osaka; three golf courses; two uninhabited islands in the Inland Sea; land in France west of Fontainebleau; his 120-foot yacht, *Hayatori II*; and his Western and Japanese art. –H.K.

Hideki Yokoi

Yokoi's Hotel New Japan burned in 1982, killing 33. It is still in ruins. Yokoi has lost one appeal against the three-year sentence he drew for his failure to install required fire-prevention equipment; he is still out on bail, pending another appeal. Worth over $1.4 billion, Yokoi, 78, reportedly hopes to build a skyscraper on the Hotel New Japan's billion-dollar site in central Tokyo. Meanwhile, the cash flows from the pachinko parlors, bowling lanes and lesser hotels he and his family own and operate. –H.K.

Japan

industry

Hiroshi Yamauchi

With U.S. sales for Nintendo slumping, Yamauchi needs a big success with his more powerful, 16-bit system this fall. It has sharper colors and clearer sound but a stiff price—nearly $200 for the player, plus $60 for each game. The machine is already a huge hit in Japan, where nearly 1.8 million units have sold in just five months. But what are its chances in the U.S.?

"At this point we don't know," Yamauchi, 63, told FORBES in May. "If we get 3 million orders [by Christmas], it means the outlook is very bright. But we still don't know if users will buy it."

Paul Heaton, an analyst at W.I. Carr, predicts Nintendo will get only 55% to 60% of the 16-bit videogame market in the U.S., compared to its 85% share of the 8-bit game market. Heaton figures competitor Sega has been pushing harder in the U.S. and will have 100 games out by Christmas, as against 15 or 20 for Nintendo.

Yamauchi, who owns $2.3 billion worth of Nintendo stock, is not putting all his eggs in the U.S. market for familiar-looking 16-bit games. He has cut a deal with Philips for attachable CD players, permitting vastly more elaborate games. And he is pushing Nintendo into Europe—a less attractive market, he admits.

"Europeans and Americans are different," says Yamauchi. "You see George Bush playing with Game Boy, but the prime minister of France [Edith Cresson], that woman, all she does is complain the Japanese are unfair." –G.E.

Nintendo/Uniphoto Press

Claudio Edinger/Gamma-Liaison

Hiroshi Yamauchi, president of Nintendo
Will his new game be a hit in the U.S.?

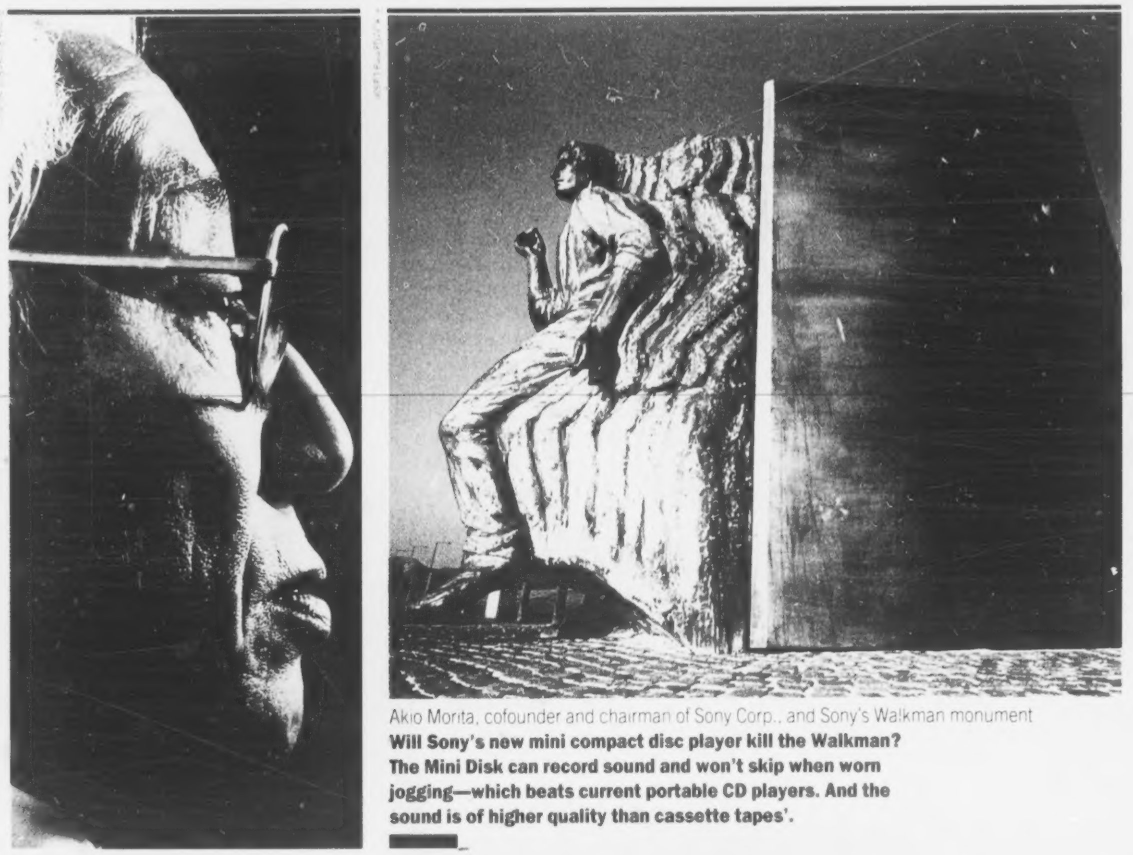
Masatoshi Ito

Masatoshi Ito, 67, controls two of Japan's most profitable big retailers, Ito Yokado and 7-Eleven Japan; his stock in the pair is worth over $2 billion. In March he bought 70% of Dallas' Southland Corp. out of bankruptcy for $430 million; this gives him convenience stores in over 20 countries. Ironically, it was a much healthier Southland that licensed the 7-Eleven name to Ito for the Japanese market in 1973. –H.K.

Morita family

While Akio Morita's $26.7 billion (sales) Sony Corp. battles archrival Matsushita Electric in camcorders, it must also fight a sluggish worldwide consumer audio market. The industry's last hit product, the compact disc player, is already nearly a decade old. Sony recently introduced a miniaturized CD player that may kill off the cassette tape—the Mini Disk can record as well as play; it offers better sound and allows instant access to any song.

The jury is still out on whether Morita's $3.4 billion purchase of Columbia Pictures will prove a wise investment. The first big test will be



Akio Morita, cofounder and chairman of Sony Corp., and Sony's Walkman monument

Will Sony's new mini compact disc player kill the Walkman? The Mini Disk can record sound and won't skip when worn jogging—which beats current portable CD players. And the sound is of higher quality than cassette tapes'.

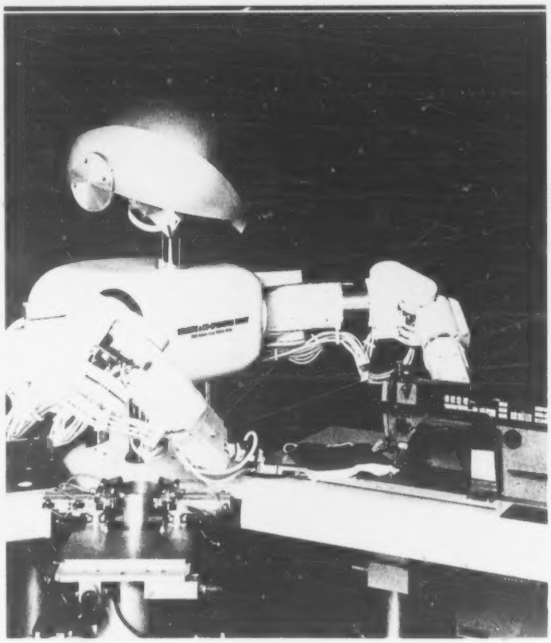
the coming release of *Hook*, a movie directed by Steven Spielberg, starring Dustin Hoffman and Robin Williams. Sony Music will release the film's sound track.

Most of Morita's wealth, which is around $1 billion, derives from Sony. He is also chairman of Morita K.K., his family's 326-year-old sake and soy sauce company. -G.E.

Matsushita family

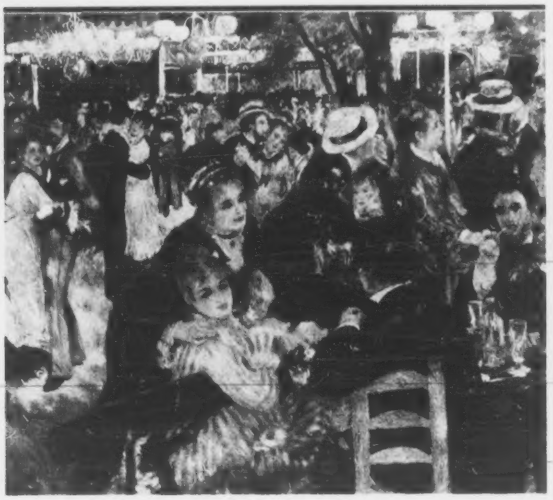
When $49 billion (sales) Matsushita Electric Industrial Co., chaired by Masaharu Matsushita, 78, bought MCA Inc. for $6.1 billion in December 1990, it opened another front in the perennial battle against Akio Morita's Sony Corp., which bought Columbia Pictures in 1989.

Matsushita is also fighting Sony for market share in palm-size camcorders. Sony reportedly holds 40% of



Masaharu Matsushita

Doing everything from robotics to buying MCA; perennially battling Sony.

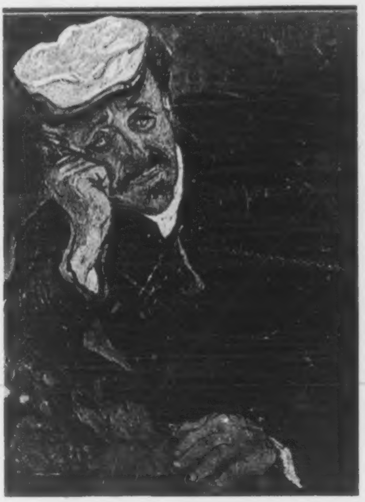


Art Resource

Daishowa Seishi K.K./Uniphoto Press

Ryoei Saito, honorary chairman of Daishowa Paper

Saito can enjoy looking at his Renoir and van Gogh while mulling over his company's misfortunes.



Art Resource

the market, Matsushita 28%. But another 12% belongs to Victor Co. of Japan (JVC), and Victor is part of the Matsushita Group.

Masayuki Matsushita, 45, a grandson of legendary founder Konosuke Matsushita (d. 1989), was appointed a managing director in 1990 and is now one of the candidates for the presidency. –J.I.

●

Seiji Tsutsumi

Seiji Tsutsumi, 64, well-known poet and novelist, is a creative man. He inherited an unfashionably situated department store and built it into a 100-plus-company empire with supermarkets, travel agencies, insurance and consumer credit. But lately there are signs his creative energies may have outrun profits. He suddenly announced in January that he would step down from active management of Saison Group—under pressure from Japanese banks, say industry sources.

Inter-Continental Hotels is a big headache. Two years ago Saison paid $2.2 billion—nearly 19 times cash flow—for the chain, much of it borrowed. Later, Scandinavian Airlines System took a 40% stake in Inter-Continental. Says a manager at one of Japan's large long-term credit banks: "The economics of this deal didn't make sense from the beginning."

Tsutsumi hoped to use the chain to propel the group's other businesses into the international arena. But so far few "synergies" have been realized. "Saison doesn't have leadership that knows how to run a big international operation," says a source in the Japanese hotel business.

According to financial documents obtained by FORBES, Inter-Continental lost $63 million in 1989, roughly double the amount forecast at purchase. In 1990 it lost around $26 million. It forecasts a loss of $34 million in 1991 followed by an $82 million profit by 1994.

Meanwhile, Tsutsumi's Seibu Department Stores, the original core company, is estimated to have sales of $7.5 billion, $2.5 billion in debt, and net margins around half a percent. It plans to restructure. –G.E.

●

Saito family

Ryoei Saito, 75, buyer of van Gogh's "Portrait of Dr. Gachet" and Renoir's "Au Moulin de la Galette," tells FORBES how he will steer his ailing paper company through hard times. With a smile, Saito reaches into his pocket and pulls out a thick wad of Y10,000 ($74) bills. "I will use this," he says, pointing to the money.

An interesting gesture. Saito means he will dip into his own fortune, if necessary, to prop up Daishowa. But the Japanese press has long questioned whether Saito improperly borrowed large sums from publicly held, $3 billion (sales) Daishowa Paper Manufacturing Co. for personal use.

Last year a family holding company paid Daishowa $49 million for its share of an Australian eucalyptus-chip venture. "Daishowa needs help," says Saito. But, according to a Japanese corporate research firm, the holding company has around $300 million of debt guaranteed by Daishowa. So it looks as if the Saitos were buying assets from Daishowa with money backed by Daishowa.

Last year Daishowa showed a $39 million profit, but only after a $126 million gain on sale of stock. The company has announced investment cutbacks and asset sales to reduce borrowings. Saito believes it will no longer be practical to produce paper in Japan, given high energy costs. He wants to cut domestic facilities and shift production overseas—not easy, given Japan's lifetime employment system. Saito has long been the most aggressive Japanese buyer of pulp and paper facilities in the U.S. and Canada. For now, the family is visibly worth $1 billion. But Ryoei Saito may need more than panache and a wad of bills to be on the list next year. –G.E.

●

Teramachi family

Hiroshi Teramachi founded and runs THK, a maker of precision bearings known as linear motion guides. It earned $160 million last year before tax on revenues of $550 million, and is growing rapidly. "Now the market penetration of the linear motion guide is 15% to 20% in Japan and some 4% overseas," Teramachi, 67, says. "My projection is pushing it up to 50% worldwide in 15 years." But as a small fish in a land of industrial giants, Teramachi must protect himself, and is doing so by forming strategic alliances with established companies. -H.A.

Tetsuo Ohga

Step on any train in Japan and you will see salarymen, students and housewives poring over comic magazines as thick as telephone books. Some boast circulation over 1 million.

Shonen Jump, a comic for kids that teenagers and even adults devour, sells some 5.8 million copies a week. Few companies advertise in them, but comics are very profitable: They're cheaply printed on low-grade paper, and popular comic strips are often compiled into lucrative paperback books or turned into television cartoons. They tell tales of sports, adventure, romance, often with lurid scenes of violence and sex.

Many of Japan's comic books are published by Shogakukan Inc. It is a major element of Shogakukan Group, which is controlled by Tetsuo Ohga, 66. This is his first year among the world's billionaires.

Founded by Tetsuo's father in 1922, Shogakukan Inc. originally published educational materials for children. Later, Tetsuo added to the line dictionaries, books and general interest magazines—the company's 70-plus popular magazines earn 58% of its $1 billion revenues. The comics are only 25% of revenues but reputedly have the highest margins of all.

Tetsuo Ohga runs the family business now, and has been busily expanding. Today Shogakukan is only one of 30 companies in Shogakukan Group. Rivaling it is Shueisha, another member of the same group, established in 1926 to handle entertainment publications.

The Ohgas' holdings are worth over $4 billion. -G.E.

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Kenkichi Nakajima, president of Heiwa
Billions from a Japanese obsession.

Kyodo

Reijiro Hattori, chairman of Seiko Group
Discovering new ways to sell watches.

Kenkichi Nakajima

The Nakajima family owns $6.1 billion worth of stock in Heiwa Corp., Japan's biggest maker of machines for pachinko parlors. Nationwide, the pachinko industry (which is widely assumed to have ties to organized crime) takes in around $140 billion a year. Heiwa was founded in 1949 by Kenkichi Nakajima, president, now 70.

Many of the companies that make pachinko machines work closely together to fend off outsiders. But Nintendo and Sega, the videogame powers, are threatening to break into the pachinko business anyway. –J.I.

Hattori family

The Hattori family has been making watches for over 100 years. Under Reijiro Hattori, 70, their Seiko Group is making wrist radio pagers, developed jointly with AT&E, of San Francisco. Also on the market from the Hattoris are special watches for scuba divers. In addition, Seiko Epson has launched a powerful notebook-size computer. The group also sells eyeglasses and jewelry.

The family fortune is estimated at $3.5 billion. –N.H.

Ryoichi Jinnai

In 1962, when he founded consumer lender Promise, Jinnai legally charged over 100% annual interest on loans. In those days most of Promise's customers were middle-aged salarymen with money problems and no collateral to offer banks; the *sarakin,* or consumer lenders, were held in low esteem.

Today things are different. The maximum legal lending rate is now 40% and consumer borrowing no longer carries a stigma, especially among the younger Japanese Promise and other *sarakin* now court. Some 28% of Promise's customers are in their 20s. Most of the money they borrow goes for travel and recreation. Japan's consumer era is in full swing.

To woo these young borrowers and burnish Promise's image, the company dabbles in new businesses: a camping club, video rental stores, a golf course in Paris. The company plans to go public in Japan's over-the-counter market in the near future. Based on current market multiples, Jinnai's stake in Promise might be worth $1 billion now.

In March Jinnai, 65, promoted himself from chairman to honorary chairman (he is also managing director). Takahiko Ori, an establishment banker who used to be with the Long-Term Credit Bank of Japan, is president. But the smart money is on Jinnai's eldest son, Hideki, 37, rapidly moving up. –G.E.

Kinoshita family

The Kinoshitas own Acom, another of Japan's big consumer lenders. Managing director Yoshiki Okada worries that young Japanese debtors are piling on more consumer debt than their salaries can service. Spokesmen at rivals Promise and Takefuji deny a repayment problem looms, but Okada believes they are papering over what could become a big social issue.

Okada sees other signs that Japan's once thrifty savers are becoming less disciplined. Traditionally, Japanese husbands worked and wives watched family finances. But now more women work, and managing budgets gets lower priority. Growing use of credit cards leads to still looser family spending controls, Okada says.

Like Promise, Acom would like to list over-the-counter next year. "In terms of financial strength, consumer finance companies get an AAA rating," says Okada. "In terms of image, we get a DDD, or maybe a C." In terms of dollars, the Kinoshita family's stake in Acom is probably worth some $1.5 billion. –G.E.

Yasuo Takei

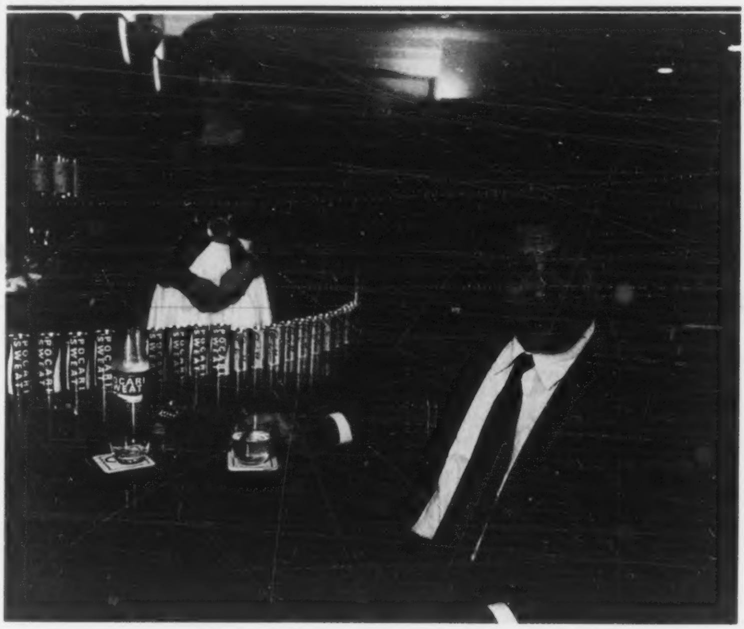
Yasuo Takei, 61, founded Takefuji, one of Japan's largest consumer lenders, worth about $1.6 billion. Last year Takei hired a new president from Nomura Securities, but he departed in February; sources cite—but the company denies—a flap over taking Takefuji public. Takei is back in charge, and Takefuji, which earned $110 million last year on revenues of $1 billion, is still private. –G.E.

Keizo Saji and family

Keizo Saji and family own 90% of Suntory, Japan's premier whiskey company and a major brewery. The holding is worth around $1.8 billion. However, whiskey sales, which account for half of Suntory's revenues, are falling in Japan; last year's heat wave was better for beer sales than for whiskey sales. And Suntory's beer sales aren't growing as fast as competitors'. Boosting sales will require some creative brand marketing. –H.K.

Akihiko Otsuka, president of Otsuka Pharmaceutical

Known for its strong distribution and heavy advertising.



Robert Wallis/JB Pictures

Masahito Otsuka and family

The Otsuka family's Otsuka Pharmaceutical sells ethical drugs and also markets nutritional beverages: Fibe-Mini, with dietary fiber, is a recent hit. Known for their strong distribution system and heavy advertising, the Otsukas recently became the Japanese licensee for Nestle's Nescafe canned coffee. Canned coffee is a $5.5 billion market in Japan.

More foreign deals are possible. The family's $1.8 billion fortune was built by Masahito Otsuka, who is now 74; since 1976 his son Akihiko, 54, has run the show. –J.I.

Keizo Saji, chairman of Suntory

Last year's heat wave was better for beer sales than for whiskey sales.

Matsumoto/Sygma

Takemitsu Takizaki

Right out of high school, Takemitsu Takizaki, now 46 and the founder and president of Japan's Keyence, worked for an American sensor firm in Osaka. He quit after only three years to start his own sensor company. That was in 1972.

Today scores of Japanese plants use thousands of Keyence's devices to measure product dimensions, humidity, pressure, vibrations—any relevant physical property. Five-year average annual growth in sales has been 35%; in profits 40%, to $44 million on sales of $196 million in the latest fiscal year.

Most of Takizaki's sensors are proprietary, and 75% of them have almost 100% market share. This is because 60% of the employees are salesmen trained in engineering, who study customers' needs directly at their factories. The company exports to about 5,000 U.S. factories; customers include IBM and GM.

Takizaki keeps overhead down by subcontracting out most of the actual production work; he concentrates on product design, planning and sales. Japanese capital investment is expected to grow "only" 9.2% this year, but Keyence hopes to maintain its own higher growth rate.

The stock market hopes so, too. Keyence shares, public since 1987, have doubled, making the 30% holding of Takizaki and family—new to the billionaire list this year—recently worth $1.1 billion. At its current market price, Keyence sells for over 85 times earnings. –H.K.

Junichi Murata

Junichi Murata, 55, and his family own 89% of $1.3 billion (sales) Murata Machinery; the stake's worth $3 billion. Half Murata's sales come from textile machines, the other half from fax machines and other telecommunications equipment, in which Murata competes against big companies like Matsushita and Ricoh. "Major companies corner the market for engineers," complains Murata, who has added four Americans to his force of 150 engineers. Another strength: compelling advertisements for his fax machines. –H.A.

Murata fax ad

Battling Matsushita and Ricoh.

Kiyoshi Sagawa

Kiyoshi Sagawa's Sagawa Express Group is a private package delivery service that is now worth some $2.7 billion. Sagawa, 69, pays his key employees, the delivery men, well, starting some at $74,000 a year.

In February Japanese tax authorities nailed Sagawa for $13 million in back taxes. The authorities may have been inspired by a 1989 expose on the company written by Yosuke Hamada, a disgruntled former employee who was fired for failing to meet sales targets. –G.E.

Isono family

One of the outstanding men of Japan's Meiji era (1868-1912), Kei Isono founded Meidi-Ya, a Western style food store chain and distributor of Kirin beer. His descendants, now led by grandson Kenzo Isono, 72, still control Meidi-Ya and Tokyo real estate, and hold a large stake in Kirin Brewery. Their fortune is currently estimated at $3 billion. This is the Isono clan's first appearance on the billionaires list.

Born in 1858 of a samurai family, Kei Isono was educated at Tokyo University. Backed with Mitsubishi money, Isono spent four years in Europe. After returning to Japan, he opened Meidi-Ya in 1886 to import Western food and liquor. He also became sole agent of Japan Brewery (now known as Kirin Brewery) and was soon exporting its beer to China, Singapore, India and Hawaii. When Isono died in 1897, at age 39, Meidi-Ya was only 11 years old. But at the funeral were Japan's prime minister and hundreds of business and political leaders.

Meidi-Ya and the Kirin distribution business survived and prospered and the Isonos continued to import and distribute Western foods and beverages. In 1919 Meidi-Ya imported and distributed Coca-Cola; in 1961 it set up, with Mitsubishi, Fuji Coca-Cola Bottling Corp., still an important part of the Isono fortune.

Today Meidi-Ya is Japan's second-largest wholesaler of food and liquor, after Kokubu & Co. But it can ill afford to rest on its laurels. Nationwide chains like billionaire Masatoshi Ito's 7-Eleven stores are giving the established wholesalers tough competition. Under Keiichi Isono, president, a nephew of Kenzo Isono, Meidi-Ya still retails expensive imported items like fine wines and exotic fruits. Meidi-Ya outlets are mainly in Tokyo's wealthier sections, where the Isonos have become landlords of some note. –H.A.

Shoji Uehara and family

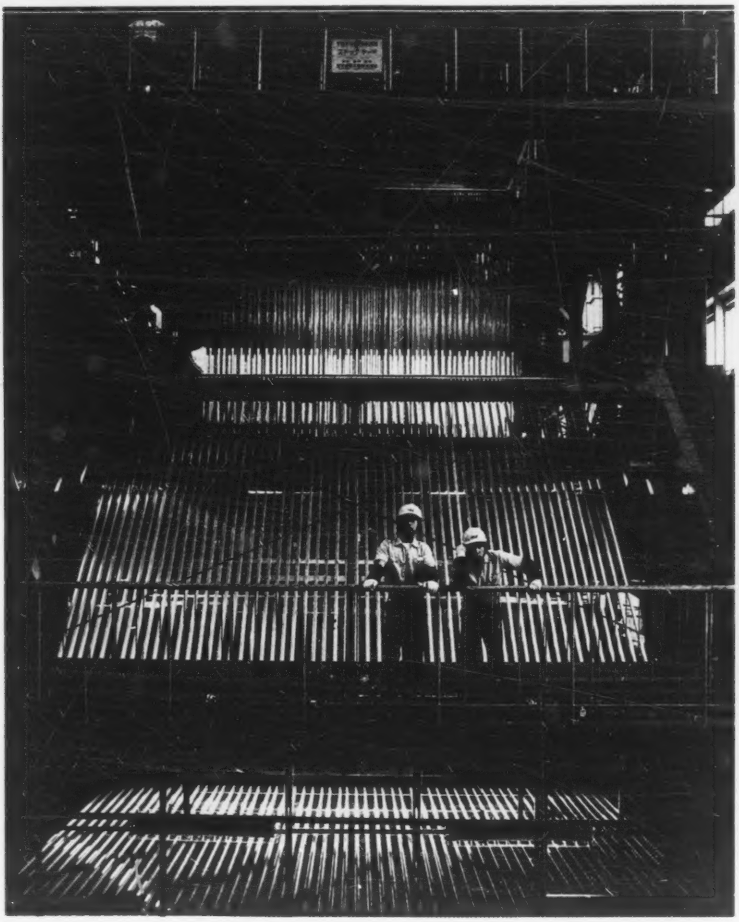
Here's an unusual Japanese tale: Sae Tsuchiya Uehara was a live-in housemaid for the founders of Taisho Pharmaceutical. Her husband-to-be, Shokichi, was a Taisho apprentice. They rose together to run Taisho and acquire controlling stock. When Shokichi served in parliament, from 1950-80, Sae ran the company. He died in 1983. Now 82, Sae Uehara is honorary chairwoman.

In 1934 the couple adopted their nephew, Shoji. Now 63 years old, he is Taisho's chairman and largest stockholder. He has, in turn, adopted his son-in-law, Akira, who serves as the company's president and will likely succeed his adoptive father. Taisho, whose strength is over-the-counter drugs, nutritional tonics and cold remedies, also has growing success in ethical drugs and is preparing to invest $740 million in the next seven years in new plants and laboratories. The Ueharas' stock in the company is worth $1.5 billion. –J.I.

Tadao Yoshida and family

YKK, the world's biggest zippermaker, operates in 40 countries and has $4.4 billion sales worldwide. It was founded in 1934 by charismatic Tadao Yoshida, now 82 and in poor health.

Increasingly, Yoshida's 44-year-old son Tadahiro, who earned an M.B.A. from Northwestern University in 1972, is calling the shots, and calling them to a tune different from his father's. For example, the founder



Gregory Heisler/Image Bank

Kyodo

Robert Wallis/JB Pictures

Tadao Yoshida (top); son Tadahiro (above)

With Tadao in poor health, his son calls the shots at YKK. The company is still the world's biggest zippermaker (left), but aluminum construction materials are an even bigger business for the Yoshidas.

liked internal expansion. The son likes acquisitions: In 1987 YKK bought the U.S.' Universal Fasteners Inc.; earlier this year YKK's aluminum construction materials subsidiary acquired a similar Japanese building materials maker. The son is also moving YKK toward a merit-pay system and away from the traditional Japanese system of seniority-based compensation.

The Yoshidas' 28% of YKK is worth $2.8 billion. Young Yoshida seems determined to keep the fortune growing. –H.A.

●

Murayama family

The Murayama family founded *Asahi Shimbun* (circulation, 8.2 million), one of Japan's big five dailies. The Murayamas used to be at odds with the paper's management over issues like personnel and editorial policy. Now relations seem to be improving. The privately owned paper is increasing its equity capital base, building a new headquarters building and launching *Japan Access*, a newsletter aimed at U.S. businessmen interested in Japan. The Murayamas are worth around $1.7 billion. –J.I.

●

Hisakichi Yamaguchi

A packaging billionaire, Hisakichi Yamaguchi founded Daiwa Can in 1950, with backing from Nippon Steel. With 30% of the Japanese can market, Daiwa relentlessly upgrades its production lines: In the past decade its work force has remained at the same level, of 3,000, while sales have increased tenfold, to $2 billion last year. At 80, Yamaguchi is a keen businessman and golfer. His net worth: at least $2.9 billion. His handicap: 9. –H.A.

●

Shigekuni Kawamura and family

Shigekuni Kawamura, 62, heads a billionaire family that owns 15% of Dainippon Ink & Chemicals (revenues, $2.9 billion, market cap, $3.2 billion), plus Tokyo real estate and valuable art collections. At home and abroad, Kawamura is a big spender on R&D. Dainippon's U.S. arm, Reichhold Chemicals, acquired in 1987, is building a $55 million research center in North Carolina for 300 researchers, to open early next year. –H.K.

Asia and Australia

Hong Kong

Li Ka-shing

Li Ka-shing's actions are watched by all. What, then, is one to make of the fact that his flagship company, Cheung Kong (Holdings) Ltd., expects to get a huge amount of cash as several residential developments are completed in the next 18 months? What will Li do with all the money? Some local analysts believe Li and his companies are actively looking for investments in and out of Hong Kong. Example: Li recently bought 8% of Evergo International Holdings Co., Ltd. Evergo is the vehicle of the Lau brothers, Hong Kong's well-known corporate raiders.

Some of Li's recent forays haven't worked out too well. Last year Li and investors offered only 10% equity for the $3 billion junk bond and preferred stock portfolio of insolvent Columbia Savings & Loan. Li was to pay only $150 million in cash. Even U.S. regulators wouldn't go for a deal that lopsided. Another Hong Kong company Li controls, Hutchison Whampoa, Ltd., tried unsuccessfully to grab the 35% it doesn't own of Hong Kong-listed Cavendish International Holdings. On a third front, rival Y.K. Pao finally won the battle for Hong Kong's cable TV monopoly over Li—but Li came back by launching AsiaSat, after which Pao's consortium disbanded its project. Li, 63, is letting son Richard, 24, run Star TV, the new satellite television operation. Son Victor, 28, runs the family's Canadian investments. But Li himself manages most of the $2 billion fortune he has accumulated over the years. –T.G.

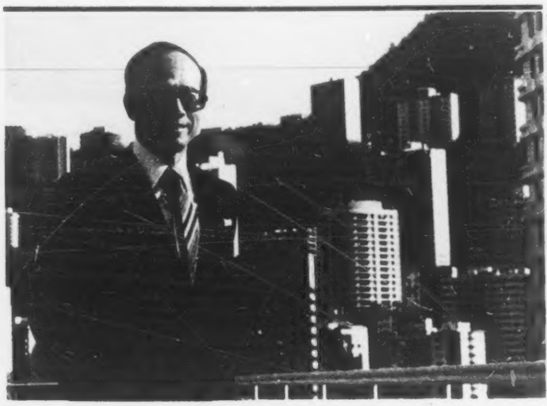
Lee Shau-kee

Lee, 63, decided that his publicly traded residential property company, Henderson Land Development Co., would stick with what it knows best: building for Hong Kong's mass residential market. Did Lee, who amassed large quantities of land in the 1950s, somehow divine that wages would rise faster than property prices in the 1980s, and that buying a flat would become the middle class' investment of choice? Or that thousands of young Chinese professionals (sometimes called "chuppies") and newly married couples would choose to live on their own instead of with their families, as in the past? Whatever the answer, Henderson Land has made a killing on the approximately 50,000 apartments it has built and sold during the past 18 years.

As a hedge against 1997, Lee has interests in Singapore's Suntec convention center and the Vancouver 1986 Expo site, as well as in a number of residential developments in the U.S. and Canada. Two of his five children help him manage the family's $1.5 billion fortune. –T.G.

Sir Yue-kong Pao and family

Hong Kong developers rushed to build for the commercial and office market in the mid-1980s. That sector is now oversupplied, and rents are falling. But Y.K. Pao's publicly held Wharf (Holdings) Ltd. is building in the New Territories and developing its downtown Hong Kong land bank, purchased when prices were lower. A Wharf executive says he is sure that when the new properties hit the market, beginning 1992, any oversupply



Lincoln Potter/Stock House

LEFT:
Li Ka-shing
Seeking investments for cash-rich companies.

RIGHT:
Sir Y.K. Pao
His well-trained sons-in-law run the empire.

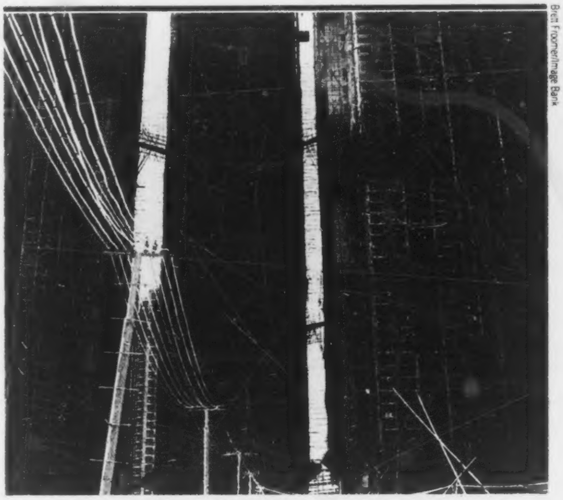
Lincoln Potter/Stock House

Decision time ahead

For the early line on what will happen to Hong Kong after the British move out in 1997 and China moves in, the time to watch is around 1993. That is when Hong Kong businessmen must make decisions that will signal to the world their confidence, or lack of it, in the capitalistic future of Hong Kong.

Today most businessmen feel fairly safe to continue investing. Outwardly, Hong Kong retains its boomtown aura. The reason, says Janice Wallace, research director at Baring Securities in Hong Kong, is that businessmen can figure on getting their money back in three to six years, depending on the industry.

So a Hong Kong billionaire can still build an electric power plant (just over a six-year payback, under allowed 16% returns), or develop a residential apartment complex (three years if built for sale, five for luxury rentals), or construct container terminals for Hong Kong's bustling shipping industry (five-year payback). Invest now and there's a good chance you'll recoup your capital and a decent return by July 1, 1997, when Britain returns the colony to the People's Republic of China. But in 1993 there will be only four years to go.


Brett Froomer/Image Bank

High-rise housing going up in Hong Kong's New Territories
Building eagerly—if the investment is earned back by 1997.

Those rapid payback periods are in part a sign of anxiety about Hong Kong's soon-to-be leaders from the north. Take, for example, the market for residential apartment sales, which remains very strong *(see Lee Shau-kee, p. 156)*.

A developer can expect to make an average 54% gross margin on the sale of a typical 800-square-foot, three-bedroom flat in Hong Kong's New Territories, assuming the land was purchased three years ago. "The higher yields on property are a very clear indicator of the political risk premium implied post-1997," says John Greenwood, chairman and chief economist of G.T. Management (Asia) Ltd.

There is plenty of money around. Hong Kong's booming economy and tight labor market (2% unemployment) have pushed real wages up sharply, even with 10% average inflation.

Much of the underlying strength comes from neighboring Guangdong Province, where Hong Kong businessmen increasingly invest to take advantage of low-cost and abundant labor. Currently about 2 million People's Republic citizens work in Hong Kong-owned or -managed factories in Guangdong. Low wages there mean Hong Kong employers can afford to pay higher wages in Hong Kong without squeezing margins.

Despite the rising living standard, tens of thousands of Hong Kong citizens have applied to leave. But the emigration process can take at least three years and may not get an applicant anywhere. Many have concluded that perhaps it is better to stay put, invest wisely and hope for the best.

At the corporate level, John Hung, executive director of Y.K. Pao's Wharf (Holdings) Ltd., reflects this thinking when he says: "I don't think 1997 is the end. We really believe there is more money to be made here than anywhere else." But whether Hung will have a similar opinion in 1993 remains to be seen.

"I think that the business people here believe in helping Hong Kong and China," says Baring's Wallace. "But they are not fools, either. If they can't make a buck out of it, they are not going to waste their money." Two years from now is when they will have to begin to decide to fish or cut bait. —T.G.

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will have been taken up.

Pao, 73, has put his four sons-in-law in charge. Helmut Sohmen runs privately held World-Wide Shipping Agency, Ltd. Peter Woo, 45, runs World International (Holdings) Ltd. and Wharf (Holdings) Ltd. A third runs trading operations out of Japan. The fourth is in charge of personal investments in Pao's $1.8-billion-plus fortune. —T.G.

Cheng Yu-tung

It now seems clear that Cheng's New World Development Co., Ltd. took on too much debt when it bought the troubled U.S.-based Ramada hotel chain in 1989 for $540 million. The acquisition, spearheaded by Cheng's son Henry, 44, has yet to show a profit. Henry says none should be expected until 1993 at the earliest.

The Chengs have been selling Ramada properties to pay down their $900 million debt (about half from the Ramada acquisition), but also have opened new Ramadas in Thailand and Australia, and are forging hotel deals in Japan, Malaysia, Holland and elsewhere.

Many of the Chengs' privately

owned assets are overseas. They include 16% of Singapore's Suntec convention center and a share in Vancouver's Expo site development. There is also one-third of Houston-based Allright Auto, and a share of Stanley Ho's Macao-based gambling operation. All this adds up to a $1.3 billion fortune. –T.G.

Kwok family

The death of the family patriarch, Kwok Tak-seng, at 79, last fall, brought little change to family-run Sun Hung Kai Properties, Ltd. Management had already chiefly been in the hands of the children—Walter, 40, now chairman, and brothers Thomas, 39, and Raymond, 38—and a cadre of professional managers.

The company's stock shot up 22% since January, thanks largely to the booming mass residential market and the Kwoks' road show in Japan: Some Japanese investors, stung by their home stock market last year, are diversifying into Hong Kong equities.

Preparing for unpleasant surprises in 1997, the Kwoks have invested in San Francisco property. But most of the family's $2 billion fortune remains in the colony. –T.G.

Kadoorie family

The Gulf war and the recession hit the travel industry hard and brought Hong Kong's hotel occupancy rates down to about 70% from last year's 79%. But at the Kadoories' Hong Kong & Shanghai Hotels Ltd. (the Kadoories own 69%), average occupancy remains over 75%. Though the publicly traded hotel chain (it includes the famed Peninsula) is feeling a 12% drop in hotel income, rental income from luxury apartments it owns is up 13%. And the Kadoories' 33% of China Light & Power Co. rose 51% in value in the last year.

Overseas expansion plans abound. The plush Peninsula Beverly Hills hotel (Hong Kong & Shanghai Hotels has 20%) is slated to open this autumn. With partners, the Kadoories plan a beach resort in Phuket, Thailand, and an office and residential development in Ho Chi Minh City. Family patriarch Lord Lawrence, now 92, his brother Sir Horace, 88, and son Michael, 50, also have overseas interests in carpets, textiles and financial services. Altogether they are worth at least $1.8 billion. –T.G.

Swire family

Badly hurt by the downturn in air travel, Swire Pacific Ltd. (it has a 52% interest in Cathay Pacific Airways, Ltd.) reported a 20% drop in profits for 1990. But the Swire brothers—Sir Adrian, 59, and Sir John, 64—aren't selling any of their 27% interest in Swire Pacific, and remain worth some $1.4 billion.

Completion of current construction projects in the next year or two will put the Swires among the biggest landlords in Hong Kong. They seem to be betting on Hong Kong's prospering after 1997. But just in case, the family also owns substantial assets in the U.K. The Swires' roots in the China trade go back to the early 1800s. They have learned to adapt to China's periodic convulsions. –T.G.

Thailand

Chearavanont family

"Serving the world with better food—that's our aim," says newly discovered billionaire Dhanin Chearavanont, 52, chairman of Thailand's Charoen Pokphand, better known as CP Group.

Dhanin's father, Chia Ek Chaw, and uncle immigrated to Thailand from China in 1921. Since then CP Group has grown from a small seed importer in Bangkok's Chinatown to the nearly $3 billion (sales) vertically integrated poultry and shrimp empire. Inspired by large-scale chicken breeding and processing in the U.S., CP added in Thailand's low-cost labor. Result: Asia's largest agri- and aquabusiness. It is already coming up fast on the U.S.' $3.8 billion (sales) Tyson Foods.

The CP Group produces its own feed, contracts with farmers to raise the chicken or shrimp, sells them the raw materials—chicks, feed, technology and management— and buys the grown product at a guaranteed price. The bulk is sold in Thailand, to an

Mary Beth Camp/Matrix

CP Group's Dhanin Chearavanont **Asia's chicken king.**

increasingly prosperous people that can now afford more than rice. But 40% of CP Group's chicken output is exported, mostly to Japan.

Agribusiness and aquabusiness now account for 75% of CP Group's sales. Chearavanont plans to reduce the ratio to 50% in five years by investing in property development, petrochemicals, telecommunications and food distribution. To get the expertise he needs, Chearavanont has been lining up multinational partners. He's linking up with Belgian giant Solvay in petrochemicals; with British Telecom as an adviser in a $3.5 billion agreement to install 2 million telephone lines in the Bangkok area; and with Dutch giant Makro on its wholesale supermarkets.

Dhanin, whose formal education ended in high school, is the youngest of four brothers. Among Thai businessmen, he is well known for hiring professional management for the family's 200-odd companies. Eight of these are now listed on the Asian stock exchanges; the family controls about 60% of each. Net worth of all the Chearavanonts' assets is at least $1 billion. –M.K.

Sophonpanich family

The Sophonpanich family is another new entry here. By owning about 40% of Bangkok Bank (among much else), the family controls a fourth of the country's private savings, and finances a third of its exports. Thanks to Thailand's rapid growth—9% or more a year for four years in a row—Bangkok Bank (assets, $20 billion) is Southeast Asia's largest bank.

The Sophonpaniches' $1 billion fortune traces back to the late Tan Piak Chin. In 1927, at 17, he hauled rice bags while dreaming of setting up his own importing business. Eight years later, his dream realized, Chin discovered that no bank would extend credit to him without full security. That gave him the idea: He became a moneylender to Thailand's small businessmen, most of whom were ethnic Chinese.

Tettoni/Photobank/SIPA

Chatri Sophonpanich

Bankers to the Thai nation.

During World War II Chin (who adopted the Thai name Sophonpanich) became a successful currency trader and acquired a minority stake in the then-new Bangkok Bank. By the early 1950s he had a controlling interest in the bank.

Among his methods to capture and harness savings in developing Thailand, he used what today would be called a brokered deposits system: He used provincial businessmen to find deposits and gave them a percentage of profits. He re-lent the money to commodity exporters he trusted. Says London School of Economics-educated Choedchu Sophonpanich, 45, Chin's youngest son: "My father ran an old-fashioned operation in a gentleman's world—he looked at the character and abilities of borrowers rather than financial ratios."

Chin Sophonpanich died in 1988. Since then, Bangkok Bank has come to rely less on handshakes and more on the numbers. But it is no less successful. All of Chin's seven children from his two wives work in the bank or other family businesses. But wielding the most power is Chatri Sophonpanich, 58, Bangkok Bank's chief executive. –M.K.

Indonesia

Eka Tjipta Widjaja and family

Indonesia's vast rain forest and cheap labor could make it a global power in pulp and paper. Eka Tjipta Widjaja, 68, and his family seem to have noticed. At Widjaja's Sinar Mas Group, pulp and paper are now 30% of revenues (1990 total, $1.9 billion) and a 500,000-ton expansion program is under way, making the company one of the fastest-growing pulp and paper producers in the world.

Widjaja, new to our list but estimated to be worth at least $2 billion, came from southern China to Indonesia's Sulawesi island as a child (his Chinese name is Oei Ek Tjhong). At 17 he was selling biscuits, but the palm oil trade became the foundation of his fortune. His partner in edible oils was President Suharto's most favored businessman, Liem Sioe Liong.

Sinar Mas Group's most explosive growth was in the 1980s, when it bought into P.T. Indah Kiat Pulp & Paper Corp. and founded Bank International Indonesia, now one of the country's largest and most profitable banks. Six of Widjaja's eight children—Sukmawati, Teguh (who runs the pulp and paper business and is heir apparent), Indra (who runs the bank), Muktar, Djafar and Franky—are in the business. –A.F.

William Soeryadjaya and family

William Soeryadjaya, 68, is a third-generation Indonesian-Chinese who built an old GM truck-assembly plant into the country's second-largest conglomerate. His younger son, Edwin, 42, helps run PT Astra International, which gets 70% of its profits from car sales and has been a market darling (the family owns 76%). But Indonesia's central bank is fighting inflation with 20% interest rates; car sales are hurting. Son Edward, 43, runs private Summa Group, a rapidly growing financial services operation that borrowed heavily to finance growth. Warns one analyst: "It's overextended like crazy." The family's visible worth is still near $2 billion. –A.F.

Liem Sioe Liong and family

Liem Sioe Liong (Indonesian name, Soedono Salim), considered President Suharto's *cukong*, or Chinese financier, has run important monopolies or near-monopolies in Indonesian industry. With revenues of $8 billion, his Salim Group is now Indonesia's biggest conglomerate. Last year Liem paid $215 million for a controlling stake in United Industrial Corp., parent of Singapore's premier real estate company, Singapore Land. He also controls Hong Kong-based First Pacific Co., a holding company with interests in banking and real estate. Sons Anthony, 41, and Andree, 43, work with Liem, 75. The family is worth over $2.5 billion. –A.F.

Malaysia

Robert Kuok

Robert Kuok, 68, has been building his billion-dollar empire—Perlis Plantations (sugar), Pacific Carriers (shipping), Shangri-La hotels, real estate and much else—for more than 40 years. Sons Ean, 36, and Beau, 37, are in the business, but the old man is still very much in charge of the family's businesses. –T.G.

Singapore

Kwek/Quek family

There are branches of this family in Singapore and in Malaysia. In Singapore, the family is known as Kwek. Last year Kwek Hong Png, 80, founder of the Singapore branch's Hong Leong empire, was found guilty of helping a nephew commit criminal breach of trust. He could have gotten ten years in prison, but he merely paid a fine. His eldest son, Kwek Leng Beng, 49, is running Hong Leong Finance Group. City Developments, the Kwek's property arm, is engaged in building the Republic Plaza in Singapore; it will be one of the tallest buildings outside the U.S.

In Malaysia, the family is known as Quek, led by Quek Leng Chan, 50. He invested heavily in manufacturing, properties and finance three years ago, when the Malaysian economy was still recovering from the 1985-86 recession, and profited handsomely.

The two sides own stock in each other's holdings but are not close. At Kwek Hong Png's annual birthday bash, cousin Quek Leng Chan was not seated at the big family table. Quek has said he hopes to make his three main companies as large as today's whole Hong Leong Group in Malaysia by 1993. The Kweks were recently worth about $1 billion; the Quecks, over $700 million. –J.Q.

Lee family

The $1-billion-plus fortune of Singapore's venerable Lee family consists of its Oversea-Chinese Banking Corp., plus vast, long-held rubber plantations in the neighboring Malaysian state of Johor. As growth spills from Singapore into Malaysia, the Lee family's plantations may become industrial parks. –J.Q.

Philippines

Zobel family

The Philippine economy has been struggling lately, but the Zobel family—new to this list—is betting on a boom. Through holding company Ayala Corp., the Zobels are planning office towers and industrial parks. A joint venture with Malaysian billionaire Robert Kuok *(which see)*, for example, will put up office buildings and a flagship commercial center in Cebu, a major city in the southern Philippines. Land is no problem for the Zobels. They have been a force in the Philippines since 1834, first with plantations and then manufacturing. Their fortune got a big boost from an American army officer, Colonel Joseph McMicking. McMicking married Mercedes Zobel and, after World War II, ran Ayala Corp. In 1949 he built luxury housing on a large parcel of central-Manila land that had been in the Zobel family since 1851. Later came commercial buildings in an area now called Makati—Manila's premier business district.

McMicking died last year. His widow, Mercedes Zobel McMicking, 83, controls Mermac Inc., the family holding company named after her. It owns around 60% of Ayala Corp.

The McMickings had no children. Nephews Jaime Zobel de Ayala, 56, and cousin Enrique Zobel, 64, have each been the family's business leader. In the early 1980s Enrique was unsuccessful in expanding Ayala interests overseas, and tried to take over the San Miguel brewery from other family members. This got him into trouble with his aunt Mercedes: In 1983 Ayala's board kicked out Enrique and named Jaime chairman.

Jaime Zobel de Ayala is building, but has reduced Ayala Corp.'s debt. Says 32-year-old heir apparent Jaime Augusto Zobel de Ayala II: "By nature, we're somewhat conservative." But, through her control of Mermac, Mercedes Zobel McMicking is still ultimately in charge. –A.F.

Korea

Chung Ju-yung and family

The newly democratic Korean government wants Korea's *chaebol*—the huge conglomerates like Chung's Hyundai Group that dominate the economy—to focus their resources better and pick three core businesses in which to specialize. These core businesses would be allowed bank credit on favorable terms from their banks; other *chaebol* businesses would face stiff credit limits.

The government hopes to free up resources for other aspiring entrepreneurs, thereby promoting growth and a stronger middle class, and defusing resentment of very wealthy Korean business families. Hyundai, like other *chaebol*, has also been forced to sell some large land holdings.

Honorary Chairman and founder Chung Ju-yung, 75, chose to focus on motor vehicles, electronics and petrochemicals. The latter is something of a mystery. Korea is already oversupplied in petrochemicals, and is building additional capacity as a world glut looms. Moreover, Korea has no obvious competitive advantage here: It is totally dependent on imported oil and naphtha feedstocks.

Why, then, is the government en-

Charlie Cole/Picture Group

Chung Ju-yung; Hyundai cars shipping out

Hyundai means modern times; modern times mean the chaebol must specialize.

couraging Chung and other *chaebol* leaders to add petrochemical capacity? Probably because petrochemicals are basic building blocks for any ambitious industrial society. And Korea does have a relevant natural resource: its energetic and increasingly well-educated people. Chung's sprawling Hyundai (the word means "modern times") Group has grown into a $32 billion colossus under his strong hand. Don't underestimate him in petrochemicals. –W.H.

Lee family

With unconsolidated revenues of $37 billion, the Lee family's Samsung Group is Korea's largest and best-regarded *chaebol.* When the government told Samsung to pick three core businesses to specialize in, it chose Samsung Shipbuilding & Heavy Industries, plus general chemicals and electronics. (In semiconductors, Samsung is fast approaching the level of Japan's Hitachi and Toshiba.)

Will Samsung, which has some 51 affiliated companies, go out of dozens of businesses? Not necessarily. Local observers predict it will be difficult, if not impossible, to keep *chaebol* like Samsung from using money borrowed by core businesses to finance noncore businesses. This would at least partially thwart the government's aim: loosening the big groups' grip on a disproportionate share of the country's economic resources.

Samsung might, however, one day arrive at the solution exemplified by Japan's giant carmaker Toyota and its numerous affiliates: Spin off noncore businesses—perhaps by taking them public on the Seoul stock exchange—but keep them tied to the Samsung family through financing agreements and contracts to buy their output.

Remember, Samsung's founder, the late Lee Byung-chull, greatly admired Japan's industrialists and studied them carefully. His third son, and chosen successor, Lee Kun-hee, 49, educated in the U.S. and Japan, now oversees Samsung in this latest stage of its development. He is likely to look to Japan for lessons in the difficult restructuring days ahead. –W.H.

Shin Kyuk-ho, a.k.a. Takeo Shigemitsu

One of the world's richest entrepreneurs (worth over $6 billion), Shin, 68, has empires in both Korea and Japan, where he is known as Takeo Shigemitsu. Born in Korea, he immigrated to Japan in the early 1940s and hit it big, first with chewing gum, then chocolate and real estate. In 1967 he launched in Korea a near mirror image of his flourishing Japanese business—right down to the professional baseball team. As in Japan, he picked up real estate cheap. Today some of it underlies Shin's $1 billion, two-year-old Lotte World complex, with a hotel, department stores, other shops and the world's largest indoor amusement park.

Shin Kyuk-ho, a.k.a. Takeo Shigemitsu

From chewing gum to petrochemicals.

Zaka

Confectioneries remain important, but like Korea's other big businessmen, Shin has a sweet tooth for petrochemicals. His Lotte Group named Honam Petrochemical, a joint venture with Japan's Mitsui Group, as one of its core businesses. This will give capital-intensive Honam access to easy credit. Lotte focuses mostly on leisure and consumer businesses, which produce substantial cash flow and quicker returns and do not consume great gobs of capital. –W.H.

Koo family

Earlier this year Goldstar Co., a core subsidiary of Lucky-Goldstar Group, acquired 5% of the U.S.' Zenith Electronics for $15 million. The aim was to get a better U.S. marketing network and better technology. Lucky-Goldstar needs both.

Korea's third-largest *chaebol,* Lucky-Goldstar is controlled by the Koo family and their relatives by marriage, the Huhs. The group's two main pillars are chemicals and electronics. Partly in response to the government's effort to rationalize the conglomerates, Lucky-Goldstar plans to merge four chemical subsidiaries, including Lucky Ltd., the country's largest integrated chemicals concern.

Under Chairman Koo Cha-kyung, 66, Lucky-Goldstar has faced many labor disputes and falling profits, off 25% over the last two years. Management consultant McKinsey & Co. was brought in a few years ago, but without much visible effect so far.

Like most *chaebol*, Lucky-Goldstar is criticized for not spending enough on R&D. It may have felt little need to: During the mid-1980s the Korean won was cheap, and the *chaebol* had no trouble selling their goods. But under U.S. pressure the won has risen against the dollar, which has risen itself. Meanwhile, annual inflation in Korea is at 10% and wage demands keep escalating. Today, the *chaebol* realize reduced cost-competitiveness can best be fought with productivity, quality and innovation. That means spending more on R&D and—witness Lucky-Goldstar's new Zenith stake—on foreign investments. –W.H.

Taiwan

Hsu family

Douglas Hsu, 48, is chairman of the Far Eastern Textile Group. " 'Textile,' " says Hsu, "is basically a misnomer." Indeed. His father, Y.Z. Hsu, 79, began with a Shanghai knitting factory, and today the business manufactures polyester and other synthetic fibers. But most of the group's estimated $450 million profit comes from cement, finance and other nontextile activities.

The Hsu's Asia Cement, Taiwan's number two producer (1990 sales, $368 million), is increasing capacity by 34%, to benefit from Taiwan's $300 billion, six-year infrastructure development program now getting under way. The family also owns Far Eastern Department Stores (a 12-store chain) and two hypermarkets that cost at least $50 million each. They own one of the country's most profitable brokerage houses, and shipping and construction interests. The stakes held by the Hsus, led today by Douglas, a Columbia University grad who cut his teeth as a salesman at Far Eastern Textile Group, are worth over $1.5 billion. –A.F.

Y.C. Wang

Last year Y.C. Wang caused a stir by talking to Beijing, Taiwan's old enemy, about building a $6 billion naphtha cracker on the mainland. The smart money said it was a ploy to force Taipei into letting Wang expand on Taiwan instead. But now Taiwan has given up pretending it is trying to suppress the communist "rebellion."

Yet Wang now looks likely to build on both sides of the Formosa Strait, probably Taiwan first. "The [Taiwanese] premier is pushing very hard for this plant to be built in Taiwan," says a Taipei source. Wang's original Taiwan proposal was a $2.2 billion complex to produce ethylene, a basic building block in plastics. Observers say this has been stalled by environmental protests. On the mainland, Wang might build an export-oriented polymer plant. It seems safe to predict that by the mid-1990s Wang, now 74, will have shrewdly catapulted Formosa Plastics Group further past competitors. He's already worth more than $1.2 billion, not even counting expansion in Asia or the U.S. –A.F.

Peter Charlesworth/JB Pictures

ABOVE:
Y.C. Wang
Formosa Plastics on both sides of the Formosa Strait?

Tsai Wan-lin and family

Tsai Wan-lin, 66, runs family-dominated Cathay Life Insurance Co. cautiously, benefiting from a more than 50% share in a scarcely developed life insurance market growing 20% a year. Smaller competitors are coming up from behind. Cathay and other Tsai assets are worth some $2 billion. –A.F.

Chang Yung-fa and family

Chang Yung-fa, 64, built Evergreen Group into a container shipping power by undercutting others' rates. Now overcapacity has been undercutting

Ed Kashi

RIGHT:
Evergreen's Chang Yung-fa
Optimistic—but currently overtonnaged.

everyone's rates, including Evergreen's. But Chang is betting heavily on another round of expansion in Taiwan. He is investing in a new airline, EVA Airways Corp., which will begin competing with state-managed China Airlines in July, and in new luxury hotels in Southeast Asia. Even after a down year, Chang is believed worth at least $1 billion. –A.F.

Koo family

Taiwan's government finally wants to open up the island's financial system, and the Koo family's political connections guarantee it a commercial bank license (19 other applicants are fighting for licenses).

Besides political connections, the Koos have the experience. Their China Trust Co. is active in commercial paper and started Taiwan's first credit-card business. A banking license will let it take checking deposits and lend short term on the island as the China Trust Bank in New York already does.

But why do the Koos want to expand in banking? Taiwan's largest cities, especially Taipei, are already considered overbanked. "I'm mystified how you could make any money at [commercial banking]," says one analyst in Taipei. China Trust seems likely to hold off an expected public offering until a widely anticipated shakeout runs its course.

The Koos' Development Corp., the industrial arm, is in everything from advertising to petrochemicals, but it is the financial base that puts Jeffrey Koo, 57, uncle Koo Chen-fu, 74, and relatives over $1 billion. Commercial banking would increase their powerful grip on the bustling island's financial industry. –A.F.

India

Birla family

Rajiv Gandhi's assassination is just one more political crisis to the Birlas' extensive business empire, one among many they've survived—to go on prospering. For supporting the Congress Party in India's independence struggle in the 1940s, the Birlas, then led by G.D. Birla (d. 1983), got valuable licenses in core industries, like jute; later came cement, power, aluminum and then petrochemicals. They built their $1.2-billion-plus fortune producing with reasonable efficiency what India needed for development. After G.D.'s death, the family's five branches split; his favorite grandson, Aditya, 47, inherited about 45%. MIT-educated Aditya is chairman of the top Birla companies, including Hindustan Aluminum and Grasim Industries. His cousin, Chandrakant, runs Hindustan Motors. Last year combined revenues of the Birlas' 60 or so public companies topped $3 billion, up 25%. Profits climbed 30%; market value, 17%, to $3.6 billion. The Birlas have an aggregate stake of about 25%.

India has recently been lucky: Three good consecutive monsoons—plenty of rain, evenly distributed—and, consequently, an excellent harvest. This masks basic problems: India also needs sound economic policies. Past policies have led the Birlas, like other talented Indian businessmen, to invest in less-regulated foreign economies. Aditya runs major Southeast Asian operations, with aggregate turnover of $1 billion. These include the world's largest palm oil refinery, in Malaysia, and thriving textile and chemicals businesses in Thailand, Indonesia and the Philippines.

Rajiv Gandhi understood that the best way to develop his country was to get the government off the backs of India's entrepreneurs. Will his successors understand? They say they do. Aditya Birla is optimistic. "The long-term future," he says, "should be good." We'll see. –M.K.

P. Rivrie/S [illegible] Freelance

Kerry Packer,
Oz's sole billionaire
Publishing mogul and prize-winning polo player.

Australia

Kerry Packer

Australia has few tycoons left. Robert Holmes a Court is dead of a heart attack. Alan Bond's empire is in ruins. When Kerry Packer suffered a near-fatal heart attack last fall, Australians held their breath. But eight days after a quadruple bypass, Packer, 53, went back to work. Now he's guiding his $1.5 billion fortune (mostly Consolidated Press Holdings) through one of Australia's worst recessions ever.

Packer's greatest coup last year was reacquiring Nine Network Australia Ltd. from Alan Bond after Bond defaulted on Packer's $200 million of preference shares. Packer wound up with 39% of the common, worth $240 million. With the other Australian networks in receivership, "the Nines" garners a hefty 42% market share. Packer's investment in Australian National Industries is also paying off. After selling assets, ANI is now mainly a maker of mining and engineering products. Packer's 47% was recently worth $415 million, up 31%.

What next? Packer's company claims to have over $600 million cash and is eyeing Australia's Fairfax Group of publications, which collapsed after going private on too much debt. Cross-ownership rules limit Packer's buying to useful pieces of Fairfax rather than all. Amidst all this, he finds time for polo: He won the coveted Queen's Cup in England. Packer created an uproar in West Sussex, U.K., when he bought and leveled some 600 acres—for growing experimental grass, he says. No one has accused him of lacking a sense of humor. –K.W.

Europe

Marc Fauny/REA

France

Michel David-Weill

Michel David-Weill, 59 and head of the Lazard Freres banking empire, is in a mood to talk about investing. "Fashion is a great temptation, but don't play at a sport you don't know," he counsels a FORBES reporter. "Consider your true strengths and recognize your structural weaknesses—don't play football if you weigh 120 pounds."

J P Laffont/Sygma

Michel David-Weill
Know thy sport.

Three Lazard brothers opened a dry goods store in New Orleans in 1848. Then they headed west and ended up buying and selling gold. With the profits, they opened a Paris *banque d'affaires* and a merchant banking arm in London. Michel's great-grandfather, Alexandre Weill, married into the Lazard family, later set up the New York firm in 1880.

In the 1980s other investment banking firms plunged into bridge financing or risk arbitrage. Acting on his own admonition to play to one's strengths, David-Weill resisted the temptation. "I strongly believe in a service concept of investment banking," he says. "This is not a trade where you have a steady business. You are totally on your own. . . . In truth there is no safe investment—so there is no safe business."

Within the firm, David-Weill brings in good people—it is considered his specialty—and then lets them alone. "When people are very good at what they do, they work well together," he says. "Lazard is a place where an individual can make a difference." But he qualifies this: "You must keep it small, it doesn't work in a very large firm."

Has it worked? Combined pretax profits for the three houses were an estimated $300 million in 1989 and $350 million in 1990. David-Weill's interest and other assets are estimated at well over $1 billion. This is his first appearance on the FORBES billionaire list. –D.A.L.

Seydoux/Schlumberger families

These related families own $3.2 billion of stock in oil-services giant Schlumberger. Nicolas Seydoux, 52, owns two-thirds of Paris-based film production and distribution company Gaumont. Brother Jerome, 57, runs Chargeurs, a textile and media conglomerate. It has a lot of cash; Jerome wants to do deals.

Serge Dassault and family

Dassault Aviation S.A.'s Mirage fighters and their Iraqi pilots did not cover themselves in glory during the Gulf war (FORBES, *Mar. 4*). But then 66-year-old Serge Dassault, the son of legendary aviator and industrialist Marcel, who died in 1986, has said he plans to cut military business from 70% to 55% of sales. He intends to fill the gap with increased orders for Dassault's popular Falcon business jet, and with contracts on the European Space Agency's Hermes space plane, an effort to compete with the U.S.' shuttle. Hermes production contracts may be awarded in early 1992 for a manned flight by 2001.

The family owns 50% or so of Dassault Aviation, worth $375 million. But electronic, computer, communication and medical research stocks worth over $600 million bolster the fortune Serge Dassault shares with his mother and brother. –T.G.

Peugeot family

A few years back, Peugeot S.A. Chairman Jacques Calvet promised the old-line French Protestant family that controls the company that he would overtake VW and Fiat by 1993. So far, Peugeot has slipped from number

Tom Craig/REA

J. Andanson/Sygma

TOP AND RIGHT:
L'Oreal Paris;
Liliane Bettencourt
Serve all, watch the demographics; promote, promote.

LEFT:
Serge Dassault;
Rafale fighter
What to do about peace?

three to five in the European auto industry in terms of market share. Peugeot remains small in the surging German market.

The stock fell 40% from January 1990 to January 1991 but has since recouped by 30%. Board member Pierre Peugeot, 59, and family own 23%, now worth $1.4 billion.

In March Calvet, 60, launched in France Peugeot's Citroen ZX, a midpriced car that got excellent notices in French auto publications. While Peugeot has shown it can operate profitably against European competition, it has yet to face its biggest test: the Japanese auto invasion of Europe that is just getting up steam (FORBES, *July 8*). Not surprisingly, Calvet is outspoken in demanding that France and the EC put up political barriers to Japanese penetration. –T.G.

Alain Wertheimer and family

Longtime suspects for this list, the low-profile family behind the haute couture and perfumes of Chanel finally appears this year. Gabrielle (Coco) Chanel, originally a hat designer, took wealthy French businessman Pierre Wertheimer (d. 1965) as her partner three years after her launch of Chanel No. 5 in 1921. For a time, the partners reputedly were also lovers. Wertheimer got the best of the deal: 70%, with 10% to Coco and 20% to the friend who introduced them. For decades Coco tried to renegotiate the agreement. She died in 1971, unsuccessful (FORBES, *Apr. 3, 1989*).

After 70 years, Chanel No. 5 remains one of the world's bestselling fragrances. The Wertheimers now own all of Chanel through Swiss holding company Pamerco (1989 sales, $502 million); it is run by Alain, 42, Pierre's grandson. Since 1984, ten Chanel boutiques—selling clothing and accessories as well as fragrances—have opened in the U.S. Chanel now also ranks number four in sales of prestige watches. Launched this April in the U.S. is its new men's fragrance, Egoiste. Chanel sees the men's business as "the last frontier," says a spokesperson.

The family fortune is more than $1 billion. –T.G.

Liliane Bettencourt

Liliane's father founded L'Oreal. Welshman Lindsay Owen-Jones, 45, now builds its cosmetics market share—about 12% worldwide, an impressive 3-point gain since 1988.

How?

By serving all levels, luxury to mass market; if one sector sags, others pick up the slack. By watching demographics. Is the market getting older? Out come Plenitude, the skin care line, and Coloratives, hair care for dyed hair. By spending heavily to promote products. "L'Oreal doesn't launch a new product, it launches an entire line in a newly discovered market category," says Elizabeth Eagles, president of the Creative Market Place, a retail consulting firm.

Liliane, 68, would be worth more than her $2.1 billion had she not swapped 27% of L'Oreal for 3% of Nestle back in 1974. Nestle has an option on Bettencourt's remaining 28% of L'Oreal, due 1994, but Liliane will likely keep it for daughter Francoise. France's richest woman lives quietly in a posh Paris suburb with husband Andre, who is on L'Oreal's strategic committee. –T.G.

Mulliez family

Gerard Mulliez introduced hypermarkets to France. The family owns 85% of $9.5 billion (sales) Groupe Auchan, and other retail interests. The family's net worth: around $2.2 billion. Auchan is expanding into Italy. In the U.S., Auchan has sold its two Chicago-area hypermarkets but retains one near Houston. It plans to add stores in the Houston area after the first starts to turn a profit.

Bouriez family

Philippe Bouriez and his siblings share ownership of Cora-Revillon-Editions Mondiales, a French hypermarket, luxury goods and publishing empire FORBES estimates to be worth around $1.3 billion. Ten years back Bouriez bought Revillon, the famous furrier, but now has it up for sale. He's investing instead in Truffaut, a gardening center chain.

Vuitton family

The Vuitton family, led by Henry Racamier, 79, holds $1.3 billion of the luxury-goods giant LVMH he built on his wife's family's business, Louis Vuitton. Forced out of LVMH by new stockholders, he's selling shares and has started what is to be a new luxury-goods giant, Orcofi (FORBES, *May 27*). As they say, don't get mad, get even. Watch out, LVMH. –H.S.

United Kingdom

Gerald Cavendish Grosvenor

Father to two young daughters, the sixth Duke of Westminster, 39, needed a male heir to whom to pass his title. Happily, in January, his wife, Natalia, gave birth to Hugh, next in line for the family's $2-billion-plus property fortune.

Things are moving on the real estate front, too. Grosvenor International Holdings, the duke's global property development arm, based in Vancouver, B.C., has been lining up U.S. pension funds for partnerships, to begin in 1992, in France, Germany and the U.K. Deals in Italy, Holland and Spain may follow. This is big news from Grosvenor: Until now, the family has always stuck to the English-speaking world, whose laws and customs it understood. But so great are the European opportunities that Grosvenor can't stay away.

The basis of the Grosvenor fortune is prime London real estate in Mayfair and Belgravia, received as a dowry in the 17th century. The current Grosvenor isn't into quick paybacks. As one insider puts it: "We look normally on a 10-to-15-year horizon." –A.F.

Sir John Moores and family

Generational transitions are never easy, and Littlewoods Organisation plc., Britain's famous low-end retailer and football-pools operator (1990 profits, $160 million), will probably be no exception. Sir John Moores, the company's founder, is 95, and his heirs have long been squabbling.

There are already preparations. Littlewoods' mail-order business, the U.K.'s second largest, is for sale; the estimated price: $820 million. Two German companies have expressed interest. What's important for the Moores family is that Sir John's heirs—who among them own almost all of the company—can cash out, at least in part, even before his death.

Son Peter, 59, took over in 1977, but plummeting profits brought back Sir John. Elder brother John Jr. and his children have long been trying to thwart Peter from reasserting himself. Says a local analyst: "It's like watching *Dallas* or *Dynasty*." –A.F.

Robert Maxwell

This has been a busy spring for the Bouncing Czech. In April he bought New York's troubled *Daily News* from Chicago's Tribune Co. Later that month Maxwell floated 49% of

PENTHOUSE
DAILY NEWS
ROLL 'EM
Max starts presses as News gets bigger & better than ever!
Sports
HALL FOR 1
Pirates nip Arizona, face UNL
DAILY NEWS
ROLL 'E

Adam Scull/Globe

Robert Maxwell with new possession

Can New York unions be any tougher than U.K. unions? Watch.

his formerly private Mirror Group Newspapers plc. for $395 million. Mirror needed money to repay debt. Within two months, the price of the shares fell by 8%.

Similarly, the balance sheet of the already public side of Maxwell's media empire, Maxwell Communication Corp. plc., groans under a debt-to-equity ratio of 130%. And that's after selling off Pergamon Press for $740 million and pawning off other MCC subsidiaries to Mirror (FORBES, *Dec. 24, 1990*).

Maxwell, 68, appears to be more interested in expansion than in his daily operations, and is stepping down as MCC chief executive in favor of son Kevin, 32. Maxwell says he will focus on Mirror Group and his private holdings. He also considers small deals in Eastern and Central Europe, the Soviet Union and Israel. Even in these difficult times for leveraged media companies, Maxwell's net worth is around $1.9 billion. –A.F.

David Sainsbury and family

The Sainsburys own about half the shares of J Sainsbury plc., a 122-year-old family business that owns Britain's second-largest and most profitable supermarket chain. Their holding is worth $5-billion-plus. The chain nets an impressive 7.9% on sales (which were $13.4 billion last year). A concentration on house brands accounts for some of this profitability. A low dividend and a high reinvestment rate assure steady growth. The company recently proposed a new rights issue to raise $803 million.

In 1983 the Sainsburys invaded the U.S., buying New England's Shaw's chain (sales, $1.8 billion), which is now 70 stores strong. Shaw's has suffered from the region's recession, but in a family like this you think for the long term.

Is more U.S. expansion in the works? The 50-year-old David Sainsbury, who will eventually succeed his cousin John, 63, as chairman, says the family has no interest in buying a big U.S. chain like Pathmark, which is currently being shopped in Britain. But, he adds: "Another small retail chain that was contiguous to Shaw's—we would undoubtedly look at that." –A.F.

Samuel Lord Vestey and Edmund Vestey

The Vesteys own some 20 principal companies on six continents, which together are worth upwards of $2 billion. The companies, which are all privately owned, have grown from the family's 19th-century beginnings, importing meat from South America and poultry from Russia to feed the British working class. The family's most visible asset today is J.H. Dewhurst Ltd., the chain of upper-class British butcher shops that accounts for 15% of the group's sales.

Samuel Lord Vestey, 50, and cousin Edmund, 59, run things. Insiders say Edmund will retire soon, letting eldest son Timothy, 30, represent his side of the family.

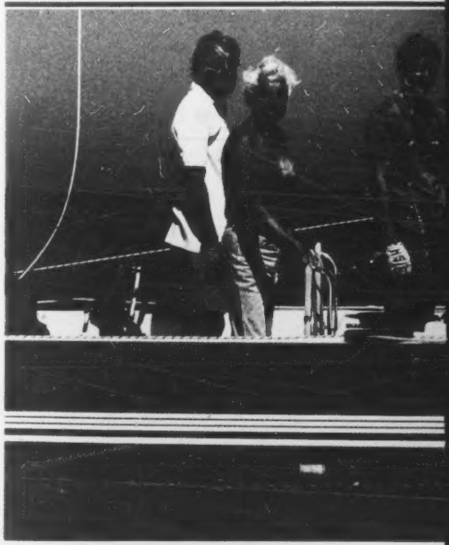
Whoever's in charge, expect the family to increase sales in Europe. Currently, the Vesteys have only 10% of their $2.5 billion (sales) business on the Continent. Plenty of scope for expansion. –A.F.

Greece

John Latsis

Latsis, 81, built his $1.3-billion-plus shipping/oil empire on friendship with the Saudi royal family. This has included such gestures as giving King Fahd a $35 million yacht, named *Abdul Aziz*, that's been called the world's most opulent.

But Latsis' biggest deal with the Saudis—building an estimated $2 billion refinery in Rabigh on the Red Sea—is in trouble. By startup in late 1989 it was over budget, and it has the worst financial returns of any large refinery in the Gulf Arab states. The Saudis don't plan to put more money into Rabigh, but that's unlikely to worry Latsis. He and his economist son Spiro still have plenty of Saudi friends. And they have been busy in private merchant banks in London, Switzerland and Athens. –A.F.



Benaroch/SIPA

Stavros Niarchos with sons

Stavros wasn't a poor rich kid.

Stavros Niarchos

Stavros Niarchos, now 82, was brilliant and ruthless in accumulating the best ships, racehorses and paintings. His famed shipping fleet has been reduced by about a third over the last ten years, to 24 vessels, and is now run by professional managers in London, Piraeus and New York.

The next generation, impeccably educated, are considered poor little rich kids. There is eldest son Philip, 38; Spyros, 35; Maria, 33; and Constantine, 31, who once worked for Salomon Brothers. Niarchos has another daughter from his short-lived liaison with Charlotte Ford.

Expect family trusts with stringent clauses to guard Stavros' $1-billion-plus fortune. –A.F.

M Bottini/Marka

LEFT:
Gianni Agnelli with friends
The EC car market is no joyride.

F Meyer/Sygma

RIGHT:
Silvio Berlusconi, French TV station
A major entertainment group for Europe.

Goulandris family

The Goulandris family sprang from Captain Ioannis Goulandris of the isle of Andros, and its shipping fleet grew vast under him and five sons. But now about 30 descendants share $1.3 billion split into three companies. The family's New York-based Orion & Global Chartering sold part of its fleet in 1986, and the family collects impressionist and modern art (they are big in Kandinsky). London-based family members still own ships and have significant money in passive investments. –A.F.

Italy

Giovanni Agnelli and family

Agnelli, 70, works hard to protect his family's $4.3 billion fortune. He must make their conglomerate, Fiat, a competitive "Pan-European" company for 1992 and beyond. That means making Fiat number one or two in all its markets, especially in Europe. Hence a rash of acquisitions and strategic alliances that account for an ever-increasing amount of revenues ($50.7 billion in 1990). The commercial truck division, Iveco, acquired Spanish truckmaker ENASA-Pegaso. The farm and construction machinery division, Fiat Geotech, bought 80% of Ford New Holland in Pennsylvania. The new company is second largest worldwide, behind John Deere. And so on.

Cars are 49% of Fiat's sales, and the ratio is slipping. Its Italian market share fell from 58% to 53% last year, mostly because of Ford's new Fiesta and Escort. Fiat is investing $4.5 billion in two plants in southern Italy, where it can get government credits, to fight weakness in the home market. Fiat prays that the European Community will restrict Japanese imports until 1998.

Agnelli's trying to resuscitate car operations, too. Talks with Chrysler last year fell through. Fiat is pushing hard to improve its cars' poor reputation for reliability. And aggressively chasing the Eastern European and Soviet market.

Younger brother Umberto, 57, next in line for Fiat's chairmanship, manages one of the family's three holding companies, IFIL. It, too, is making strategic alliances—with BSN, the leading French food and beverage concern, and with ACCOR, a French hotel and leisure operation. Citicorp recently bought a minority stake in IFIL. After Umberto? Uncertain. Last fall Giovanni's only son, Edoardo, 37, was cleared by a Kenyan court of a charge of heroin possession. –T.G.

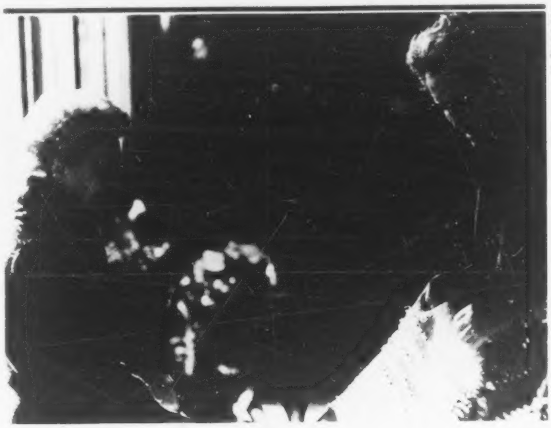
Silvio Berlusconi

The new Italian antitrust media law that takes effect beginning next month will force media magnate Berlusconi to sell Milan daily *Il Giornale* by August 1992. But his private holding company, Fininvest SpA (1990 revenues, $8.4 billion including Mondadori), will finally be allowed to broadcast live, which means a great deal of income from sports and news.

That will propel Berlusconi where he is already going: building a major international entertainment group in film, television, books, magazines and newspapers. In a joint venture, he is investing $110 million to produce six major U.S. films. And Berlusconi has won control of Mondadori, one of Italy's top publishers. All to build on a net worth estimated at $1.7 billion. Silvio, 55, is also a noted collector of old masters and modern art. –T.G.

Ferruzzi family

Raul Gardini is suddenly out as chairman of Serafino Ferruzzi Srl, family holding company for all Ferruzzi businesses. He was replaced by the founder's son (Gardini's brother-in-law), Arturo Ferruzzi, 51. "A logical evolution," says a spokesman, after



Luciano Benetton
He and three siblings built a world apparel retailing power. As it starts to mature, they're building a sports retailing power.

Gardini's decision last fall to quit as chairman of both chemical and agribusiness giant Montedison, which Ferruzzi controls, and the holding company, Ferruzzi Finanziaria SpA.

The ouster was orchestrated by other family members on the board. Speculation about the upheaval abounds. Arturo Ferruzzi says that the company will continue to be run by the same strategy Gardini implemented. The strategy has included selling Montedison's chemical joint venture, Enimont, back to the Italian government; merging Montedison with its parent; and striving to make chemicals, pharmaceuticals and energy sales ($5 billion) as big as agribusiness ($8.5 billion) in five years. And buying 40% of Italian TV broadcaster Telemontecarlo.

Gardini, 57, now has the time for Montedison's $40 million bid for the 1992 America's Cup. Muses one analyst: "We haven't heard the last of him." –T.G.

Benetton family

Edizione, the talented Benetton family's private holding company, tightened its grip last year on sports retailing. It added Prince, the U.S. tennis racket manufacturer, for $220 million; Kastle, an Austrian skimaker, about $55 million; Italy's Asolo, which makes hiking boots; a maker of sunglasses and a 50% share in Minneapolis-based skatemaker Rollerblade.

At the clothing stores, Benetton (6,000 stores worldwide) is consolidating. In saturated U.S. (where it is fighting lawsuits) and European markets, it's putting in larger stores at more central locations instead of little stores seemingly everywhere; it also halved its dividend to have more funds for expansion and acquisitions. And it is turning its formidable marketing and sales efforts to Eastern Europe and Asia. Color the four Benettons in at some $1.7 billion. –T.G.

Salvatore Ligresti

Sicily's Salvatore Ligresti, a self-made billionaire long dogged by unproven insinuations of Mafia connections, controls Milan's Premafin Finanziaria SpA, a holding company with operations in real estate, construction and insurance. A board member of Mediobanca and Credito Italiano, Ligresti also won a contract to build three Frontierland facilities at Walt Disney Co.'s new EuroDisneyland, outside Paris. –T.G.

Michele Ferrero

Michele Ferrero's namesake family company, worth some $1.6 billion, makes Tic Tac mints and Nutella, the chocolate-hazelnut spread. Last year the second-generation confectioner won his bid to own 24.5% of the troubled, government-owned SME sweets company. Another Italian firm will own an equal percentage, and one or both are expected to run it. –T.G.

Spain

Koplowitz sisters

Spain's steamiest sex scandal is now history, and the Koplowitz sisters—Alicia, 39, and Esther, 41—are back in charge of their $1.2-billion-plus empire.

Called *las Marquesas* by the Spanish press, the Koplowitz sisters are the daughters of Ernesto Koplowitz, a Jewish refugee from Nazi Germany who built the family's fortune with a

EFE/SIPA

EFE/SIPA

Alicia (top) and Esther Koplowitz
Never trust an Alberto.

construction company, Construcciones y Contratas (Conycon for short). With their father's death in 1962, the sisters came under the wing of his partner, Ramon Areces, a regular on the FORBES billionaire list until he died in 1989.

Las marquesas married two cousins, both named Alberto—*los Albertos.* They, too, thrived under Areces' tutelage—until 1987, when they made a run at Spain's biggest bank, Banco Central. Their failure cost millions of pesetas.

Two years later *los Albertos* had even worse luck: Paparazzi photographed each with a mistress in public tow, setting off lurid publicity. The sisters could forgive their husbands the loss of a few million pesetas. They did not forgive them their mistresses.

Legally separated from the Albertos, the sisters again have firm control of their 100%-owned Conycon, their 60% of another large construction firm, Focsa, and 60% of big cement manufacturer Portland Valderrivas. Not to mention $250 million retrieved in a stock buyback following the Banco Central fiasco.

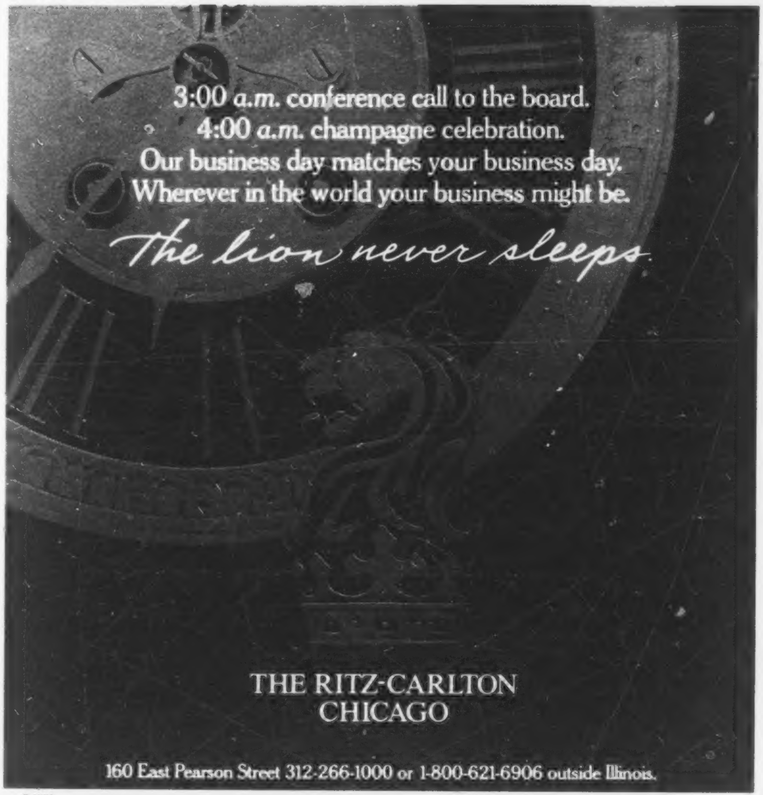
Los Albertos? They came away with 30% of another bank, Banco Zaragozano, worth an estimated $100 million. —J.M.

March family

The March brothers—Juan, 51, and Carlos, 45—are worth some $1.3 billion. They control holding company C.F. Alba, which owns big construction firms, and banks (Banco Urquizo and Banca March, plus 60% of Banco del Progresso). They expanded from banks to building materials far ahead of the Spanish building boom. Now they're moving to pay-per-view television as Spain enters the First World. —J.M.

Botin family

The Botin family, headed by Emilio Jr., 56, and worth over $1.6 billion, is shaking up Spanish banking with its Banco Santander: last year, 11% interest on checking accounts; this year, 2


3:00 *a.m.* conference call to the board.
4:00 *a.m.* champagne celebration.
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points off mortgages. But its market share jumped 40%, and it will be ready for rougher, 1992-style competition.

The family is also extending its international presence. In March it bought 13% of the U.S. bank First Fidelity. It already has a strategic alliance with Royal Bank of Scotland (and a 10% stake). And its traditional presence in Latin America is growing. Santander is now the second-biggest bank in Puerto Rico; late last year it picked up the S&L Caguas Federal in an RTC fire sale. Let other Spanish banks stay mainly in Spain. –J.M.

Sweden

Hans and Gad Rausing

Getting bigger—and bigger. Early this year Hans and Gad Rausing's Tetra Pak International S.A. ponied up $2.9 billion to buy Sweden's Alfa-Laval A.B. from the Wallenberg family *(see p. 216)*. Little known outside their native Sweden, the Rausing brothers are among the world's biggest billionaires, owning a business worth some $9 billion.

The family hit the big time barely two decades ago when the brothers' father patented a box-shaped container that keeps spoilables like milk fresh for months without refrigeration. From that start, Tetra Pak has become a global giant, with estimated profits of $700 million on sales of $4.2 billion last year.

While both the brothers own the company, it's Hans, 65, who minds the store; Gad, 69, is vice-chairman. Both live in Britain as tax exiles from their homeland.

Why did they buy Alfa-Laval? Already the predominant "aseptic" packager in 109 countries, Tetra Pak is running out of room to grow. Its prospects in the U.S. are limited, partly because Americans dislike the sterilized milk required for aseptic packaging; and last year Maine banned the packages as nonrecyclable.

The Alfa-Laval acquisition offers growth in a closely related business. Alfa-Laval's packaging machinery will supply large, turnkey production lines anywhere; previously Tetra Pak could build its specialized equipment only into plants equipped by Alfa-Laval or its principal competitor, APV plc., of Britain. –A.F.

Ingvar Kamprad

Kamprad, 65, built his $2.5-billion-plus fortune with Ikea, which makes modestly priced furniture. He himself lives modestly, and takes his time making investment decisions. Montreal hotelier Jonathan Myette, 35, found this out.

Myette had five hotels and wanted to start a chain. Looking through an Ikea catalog, he decided he wanted to attract the same value-conscious customers who shopped at Ikea. Myette

Sweden's shrinking pie

It has dawned on Sweden that joining the European Community means the "Swedish model" is out; increasing growth, along German lines, is in.

"We have seen such a long period of sluggish growth," says economist Lennart Ohlsson. "People see that we have had a zero-sum game for a long time and that there is a need to do something about it." Hans Tson Soderstrom, director of the SNS-Center for Business and Policy Studies, a private economic think tank in Stockholm, says the Social Democrats, the Liberals and the Conservatives all believe that growth is now more important than redistributing income. "There is," Soderstrom says, "a consensus."

One visible sign: the government's plan to make inflation its top priority. This will mean defending currency exchange rates, letting unemployment rise and slowing if not cutting government expenditures—a major change from Sweden's old ways.

Sweden's current economic trends are among the worst in Europe. GDP grew near an average 3% in EC countries last year, and pushed 4.5% in Germany (pre-unification). Sweden's dropped from 2% or so in the 1980s to under 1% in 1990. This year, most expect decline. Swedish inflation hit 10% in 1990 (the recent tax reform added three percentage points), but compare that with near 5% in the EC and around 3% in Germany. The Swedish stock market plunged, pushing real estate developer Fredrik Lundberg off this list. Only unemployment remained relatively steady, at around 2%. For now.

But if Sweden is to join the European Community (it says it wants to, and it will probably be admitted) inflation must be tamed or trade will suffer: Currency devaluation will no longer be an option. Not joining and remaining on the periphery of Europe could mean capital flight and trade losses.

Already there have been structural changes. The tax burden has shifted: Personal taxes dropped to a top marginal rate of 51% this January from 72% in 1989 and capital income taxes were standardized at 30%. Direct foreign investment rules are being liberalized toward EC standards. "Sweden is going to have a common market profile, like Germany, Belgium or Holland," says Ronald Fagerfjall, editor of *Affarsvarlden* (Business World), one of Sweden's leading business magazines.

How will Swedes deal with the pain that accompanies a transition to a hard market economy? The emphasis on employment and social spending of the past has ill prepared these 8.4 million people for an unprecedented but expected unemployment rate of 5%, maybe even 6%. The growth rate of money wages that has hovered around 9.5% will have to fall in line with the European average of 6.5%. And long run, Sweden will need to cut government spending. Now roughly 60% of GDP, mostly for one of the world's most comprehensive social spending programs, that figure will have to move toward Germany's 47%. Achieving that will be the real test for Sweden. –A.F.

Ingvar Kamprad, financier

Ikea stores succeed in the U.S.

wondered if Ikea would be interested in backing his hotels, which he decided to call Sweden Inns.

Myette pitched the idea to Kamprad and six months later received a terse fax: Kamprad would be paying a visit to Montreal's Ikea store. Be there at 11 a.m.

Kamprad toured Myette's two operating hotels and went over his business plan. Something clicked. "We were walking down the stairs," recalls Myette, "and he gave me a hug and said, 'You'll hear from me in the future.' "

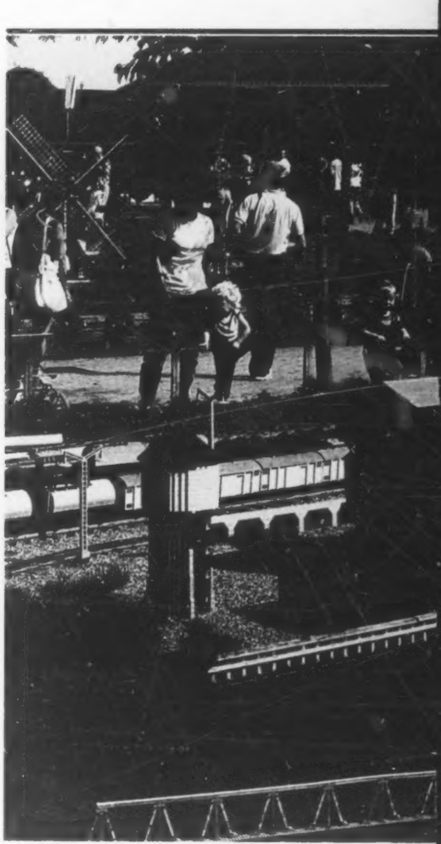
Then came the number crunching. Three months later, another fax invited Myette to a U.K. Ikea board meeting, then to Holland to go over his financials. Finally, 26 months after he first wrote to Kamprad, Myette received the tersest fax of all: Congratulations. Kamprad's personal investment company, InterIkea Holdings, would put up more than half of the money on the 50/50 joint venture.

Next year the 158-room Montreal Sweden Inn—advertised in the Ikea catalog and furnished by Ikea—will open. The ultimate plan: hotels in towns near Ikea stores (Ikea has 95 stores, in 21 countries). It's not a huge deal for Kamprad. But he took the time to research it. That is how smart people conserve and expand their capital. –A.F.

Denmark

Kristiansen family

How was LEGO Group able to rack up an 18% sales gain in the U.S. last year, to an estimated $200 million, when the $13 billion U.S. toy market has been stagnant since the mid-1980s? It's called penetration. LEGO, which sells $900 million of its toy blocks in 118 countries, figures that 75% of U.S. homes with children under 15 have at least one set of LEGO, priced from $1.50 to $149.99.



Kjeld Kirk Kristiansen, the closely held company's 43-year-old, third-generation president, lovingly tends this sure, steady winner, which has made the family worth about $1.3 billion. Quietly in the works: a product to appeal to girls 7 and up, who typically prefer Mattel's Barbie. Mattel, beware. "What you're dealing with," says David Leibowitz, an analyst at American Securities in New York, "is the finest niche company in the business today." –A.F.

Netherlands

Anton Dreesmann and family

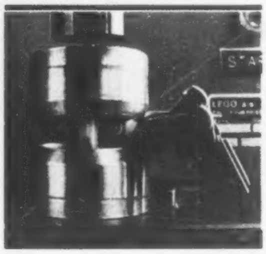
Anton Dreesmann, 68, has faced crippling strokes. Now the family company, Vendex International, faces business reverses. The family's Vroom & Dreesmann department store chain has been allowed to decay. Paternalis-

Marvin Newman/Image Bank

Marvin Newman/Image Bank

LEGO's Kjeld Kirk Kristiansen

The product (below); its possibilities (left). Is this the perfect toy?



tic Anton delayed the necessary firing of hundreds of longtime employees so long that now the layoffs may number in the hundreds. The stores are only now getting long overdue face-lifts.

Elsewhere, Vendex has tried to sell its 79% of investment bank Staal Bankiers. The sizable Brazilian retailing operations are suffering, and U.S. home-improvement chain Mr. Goodbuys has filed for Chapter 11. Fortunately, Dreesmann started buying stock in Arkansas-based Dillard Department Stores in 1978, eventually accumulating a 41% stake. Dillard has been doing brilliantly; the investment has kept the Dreesmanns among the billionaires. But Vendex sold the last of its stake in April 1990. –A.F.

Brenninkmeyer family

From behind its guarded compound near the Dutch-German border, the secretive Brenninkmeyer clan continues to expand its holdings in the U.S. The Netherlands family already owns eight U.S. regional clothing retail chains with over 1,200 stores. These include Miller's Outpost in California and the Southwest, JByrons in Florida, Steinbachs in New York and the Northeast and Uptons in the Southeast. The family's C&A chain in Europe, a middle-market department store, is far larger.

There are Brenninkmeyer stores in 12 countries—in Germany alone there are 165 big ones with combined sales of $4.5 billion last year. Worldwide, the family business probably moves over $10 billion in goods annually.

The business has grown slowly and steadily since brothers Clemens and August Brenninkmeyer opened a dry-goods shop in Holland's Sneek in 1841. How much is the family worth? A conservative guess would be $4.2 billion.

Roelandus Brenninkmeyer, fourth generation, a Harvard M.B.A., lives in the New York area and presides over the U.S. chains through a holding company, Amcena. The 200-member Catholic family sometimes sends its children to university under assumed names. Sons, on graduation, can join the business or a religious order. Sums up Richard Hyman, at Verdict Research, London, "[The family] has no relationship to the outside world except to its customers." –A.F.

Fentener Van Vlissingen family

This spring Noro Group shareholders accused chief executive John Fentener Van Vlissingen, 52, of swapping assets between himself and the group's U.K. property fund. The result, they charge, was that Fentener Van Vlissingen made tens of millions of dollars at a time when the value of the shares took a dive. Though still unproven, the charges have left a blot on the name of one of the Netherlands' richest and most powerful families. The company says shareholders are merely griping over falling property prices—but is setting up a new supervisory board to watch things. Money manager to Europe's super-rich, Noro Group has some $3 billion in funds under management; about $1 billion said to be family money.

Brother Paul, 50, runs Holland's SHV Holdings N.V., the heart of the family fortune. A coal power before World War II, it is now in oil, gas and propane and owns Makro, a chain of wholesale stores that typically teams up with investors in the country in which the stores operate. Older brother Frits Henry, 57, manages Flint Holding, a small investment company. SHV alone is worth over $1.3 billion. –A.F.

Switzerland

Klaus Jacobs

So far the $1.4 billion Jacobs got last year from selling his Jacobs Suchard candy and coffee conglomerate to Philip Morris has been burning a hole in his pocket.

E.J. Brach, the troubled Chicago-based confectioner that Philip Morris didn't want to buy, has cost him a pretty penny.

One thing he's done seems an odd fit: buying 53% of Lausanne-based Adia S.A., the world's second-largest provider of temporary personnel services. But another buy, 50.1% of Allgemeine Finanzgesellschaft, a small Swiss investment company, makes some sense: Maybe it will help Klaus decide what to buy with the money he has left. Jacobs, 54, still has some chocolate and coffee interests, four banks, an Argentine sheep farm and a charitable foundation. -A.F.

Maus/Nordmann family

The Maus and Nordmann cousins head Switzerland's leading retail chain, but they're struggling with their U.S. expansion. In 1989 their Geneva-based Maus Freres S.A. paid $450 million for Chicago's ailing Carson Pirie Scott through its U.S. department store operation, P.A. Bergner. Despite cost-cutting and the spinoff of nonretail units, Carson is believed to have lost money last year. Moving the stores downscale hasn't helped with loyal customers, either.

Yet their 80 Swiss stores are profitable, with total group sales of over $5 billion. The family also controls Paris-based Au Printemps, which recently bought the U.K. mail-order house Empire Stores. The Maus (Jacques, 62; Bertrand, 59; and Olivier, 47) and Nordmann (Gerard, 61, and Philippe, 59) cousins are worth some $1.7 billion. At home, they must know what they're doing. -A.F.

Schmidheiny family

Stephan Schmidheiny's $2 billion empire consists of holding companies Anova, Nueva and Unotec—in international trade, real estate, retailing, steel, construction and watches—including 87% of Leica Plc., the renowned optics company. Schmidheiny, 44, is a passionate environmentalist. He has been named chairman of a U.N. environment committee.

Brother Thomas, 46, controls Switzerland's Holderbank, one of the world's largest cement companies (1990 sales, $3.4 billion), and other interests worth over $700 million.

Stephan Schmidheiny

The greenest billionaire?

A third brother, Alexander, 41, produces five varieties of California wine under his Cuvaison label. -T.G.

Hans Heinrich Thyssen-Bornemisza

Baron Hans Heinrich Thyssen-Bornemisza, 70, worth some $1.4 billion, spends most of his time minding his billion-dollar art collection. Last year the art market sank as speculators dropped out. But the baron is a real collector, and he's resumed buying. Last November he paid $21 million for a John Constable at a London Sotheby's auction, a record price for a British painting. Behind the baron is Thyssen-Bornemisza Group (estimated sales, at least $1.8 billion), which makes various engineered products and provides storage, trading and container leasing services. The company is managed by the baron's son Georg, 40. -T.G.

Walter Haefner

Walter Haefner, 80, founded AMAG, the sole Swiss importer of VW, Porsche and Audi. Worth more than $1.1 billion. He holds 21% of U.S. software firm Computer Associates, worth $412 million. Has homes in Zurich and Paris but prefers farm in Ireland, where half his 150 horses are bred and trained (the rest in Kentucky) for the classic American and Irish races. Neither his son Martin, 37, a Swiss math professor, nor daughter Eva Maria, 33, who works with the mentally handicapped, is interested in the business. For the next generation? "The companies will continue with professional management, and my children, who are on the boards, will be the owners," Haefner says. -T.G.

Hoffmann family

In-law Paul Sacher, 85, has been the family's senior member since the 1989 death of his wife, Maja Sacher-Stehlin. She was the widow of Emmanuel Hoffmann, only son of the founder of drug giant Hoffmann LaRoche. With Sacher on the Roche board (the company reorganized under new parent Roche Holding Ltd.) are Maja's son, Lukas Hoffmann, 68, and son-in-law Jakob Oeri, 71. The Hoffmann heirs control roughly a $2.5 billion majority stake in Basel-based Roche.

Last year Roche paid $2.4 billion for 60% of San Francisco-based Genentech Inc. Last month Roche spent an additional $821 million to purchase the Nicholas group of European over-the-counter drug companies from Chicago-based Sara Lee Corp. This giant is moving. -A.F.

Austria

Swarovski family

Austria's Swarovski family, worth some $1.1 billion, are the longtime kings of rhinestones and cut crystal (1990 sales, $774 million). Based since 1895 in the mountain village of Wattens, the family owns 50% of the Irving, Tex.-based Zale Corp., with its jewelry chains Bailey Banks & Biddle, Zales, and Gordon's.

The Swarovskis are aggressively promoting their brand names—Swarovski for higher-priced jewelry and Savvy for its medium-priced jewelry line. -T.G.

Germany

Heinz Heinrich Bauer

Bauer's $1.2 billion fortune was built largely on his ownership of the television and radio program guide *Horen und Sehen*, a kind of German *TV Guide*. In the U.S. Bauer owns *First for Women* and *Woman's World* magazines, and a Texas chain of discount stores called Winn's.

The U.S. operations are going so-so, but even that can't be said for Bauer's publishing ambitions in eastern Germany. Last year his big (1990 sales, $1.1 billion) magazine publisher, Bauer Verlag, sank over $45 million into four East German daily newspapers, in the form of equipment and training. Bauer figured to acquire the papers once legal rights were clarified. But then, in April, Germany's Treuhandanstalt, the government agency responsible for privatizing eastern assets, decreed that no publisher could own more than one of the old Communist Party newspapers. Bauer got one of the papers he'd agreed to acquire, for $70 million, but was blocked from purchasing the other three. He now stands little chance of recouping his seed money from the other buyers.

Cynics note Bauer is politically neutral. Their point: The Treuhandanstalt is awarding eastern German papers to publishers likely to support Helmut Kohl's ruling conservative coalition government. They may be right. —P.G.

Leo Kirch

The left wing of the German press distrusts him: Kirch, 65, is powerful, rich (estimated $1 billion) and, worst of all, not a socialist. Kirch totally dominates German movie and TV programming and is on the verge of controlling 26% of the conservative Axel Springer Verlag A.G., Europe's largest newspaper publisher. This marks his first appearance among FORBES' world's billionaires.

Behind the image created by the German media is a shrewd ex-business professor turned entrepreneur who borrowed $50,000 in 1956 to buy the German distribution rights to Fellini's *La Strada*. Kirch realized that Germany's two government-owned television stations would need entertaining programming. He won big when he cornered German broadcast rights to Hollywood films. He also owns the broadcast rights to many U.S. television series, including *Wheel of Fortune*.

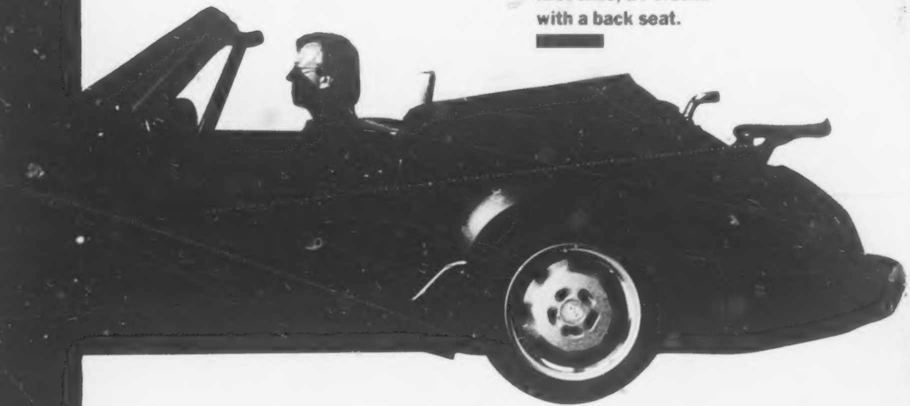
These days Kirch rubs elbows with Italian billionaire Silvio Berlusconi; they coproduce European TV series, a good business given the Eurocrats' hysterical fears about what U.S. programming will do to their cultures. His highly profitable Kirch Group (estimated revenues, near $350 million) also bought into successful private German station SAT 1 in the mid-1980s. The station has been at the center of a feud between Kirch and its other major shareholder, Axel Springer Verlag, but recent management changes at Springer have probably helped Kirch. Already Springer has dropped objections to a film purchase deal by SAT 1. Kirch is also negotiating to register—and vote—Springer shares he owns through third parties, and to gain board seats.

Kirch lives quietly in Munich but is widely sought after by Hollywood groupies—*Variety* recently devoted 20 rhapsodic pages to him. He has a son and heir apparent in the business, Thomas, 33. —P.G.

Adolf Merckle

Secretive Adolf Merckle, 56, another newly discovered German billionaire, has given the German cartel commission headaches for years. German drug costs are among the highest in the world, and the regulators consider Merckle a big part of the problem. Merckle reportedly controls one-third of Germany's drug wholesale business through a network of distribution companies. Some sell brand-name drugs. Others, like wholly owned Merckle GmbH and Ratiopharm GmbH & Co. (combined sales, over $275 million), concentrate on generic drugs. Last year the commission fined Merckle and other pharmaceutical distributors for their agreements not to raid one another's pharmacy clients. Merckle's worth: probably around $1.2 billion.

Merckle's parents ran a small pharmaceutical company until the end of World War II, when they moved their operation to Blaubeuren, in southwestern Germany. Adolf practiced law before taking over the family company, then under DM5 million in sales, in the late 1960s. The young Merckle saw his opportunity in the early 1970s, when he set up Ratiopharm and made a generic substitute for Bayer aspirin. The profits bought his way into the wholesale pill business in the 1980s.



Ferdinand Porsche, père et fils, their modernized classic 911

And soon, for the first time, a Porsche with a back seat.

Merckle also has interests in packaging equipment and cement. His mother was from the Spohn family, whose packaging company Merckle now heads. His wife, Ruth, was a Schwenk; her family was big in construction materials and cement, which is why Merckle has a piece of Heidelberger Zement, Germany's leading cement company. —P.G.

Wolfgang Schuppli

In German courts the loser pays both parties' legal fees—but that does not stop the Germans from going to court. Leave it to a lawyer to figure out how to make a fortune off this system.

Wolfgang Schuppli, now 69, knew most of his fellow Germans were a risk-averse lot. And an ordinary motorist found at fault in a simple car accident can be on the hook for a lot of legal costs. So back in 1957 Schuppli quit his law practice to sell insurance against legal costs.

Schuppli's company, Deurag, quickly made a lot of money and still is doing good business. But Deurag was just the start of Schuppli's fortune. He also bought some Munich real estate, which has climbed many times in value.

In 1982 Schuppli sold a majority of Deurag to Germany's Continentale Sachversicherung insurance company for just under 25% of Continentale's stock. An eclectic investor, Schuppli has since bought major stakes in a German cutlery manufacturer and a sewing machine maker. He also founded, in 1986, a mortgage bank, Hypothekenbank in Essen A.G. It was the first time in 20 years that a mortgage bank had been founded in Germany. It specializes in building loans to communities, which require less manpower than does making individual home loans. Another of our newly uncovered German billionaires, Schuppli denies he is worth at least $1.1 billion. —P.G.

Porsche family

Porsche A.G. (1990 sales, $1.6 billion) may have been hurt by the U.S. recession and soft dollar, but eager car buyers in other countries more than compensated. One reason: the revamped classic 911. Due in a few years: Porsche's first car with a back seat. "Some of our customers need more room," dryly explains a company spokesman.

The Porsche family controls the car company. It also controls Austria's

Prince Albert, 8, with family; the Punk Princess

What will become of his strange, troubled legacy?

private Porsche Holding; its diversified interests include exclusive VW and Audi import rights.

Founder Ferdinand Porsche, who left Daimler to design his own cars in the 1930s, designed the Volkswagen Beetle and started making Porsches in Austria around 1945. Porsche cars moved back to Stuttgart in 1950. His son Ferdinand (Ferry) took over while his daughter Louise Piech ran the Austrian business.

In 1971 the family agreed to pass management of both companies to professionals. That's one reason Louise's son, Ferdinand Piech, is chief executive of Audi, not of Porsche. But the family still dominates the supervisory board of the publicly quoted Porsche A.G. (and keeps all voting shares in a trust); its current chairman is Ferdinand Alexander Porsche, 56, designer of the 911 and grandson of the founder. –P.G.

Prince Albert von Thurn und Taxis

At age 8, Prince Albert is sole heir to a strange patrimony. His father, Fuerst Johannes von Thurn und Taxis (a.k.a. Taxi boy and Johnny TNT), died in December, age 64. Albert's mother, Gloria, 30, is sometimes called the "Punk Princess." The family fortune is estimated at $1 billion.

Now Prince Albert is the largest landholder in Europe, the 12th prince of the line that founded the Holy Roman Empire's postal service 500 years ago. Bismarck ended that monopoly in 1867, but the clan wound up with vast tracts of land. Johannes hired a management team, led by former McKinsey man Helge Petersen, to modernize a troubled hodgepodge of interests that range from a private bank to breweries to forests and agricultural lands.

Petersen proposed running young Albert's fortune as a foundation. That would have given his management team broad executive powers—and apparently marginalized Gloria. She would have none of it. He has decamped, to Wasserstein Perella. An orphan's court is in control. When Gloria gets the court's approval, she and her advisers, including newly hired Swiss consultant Nicolas Hayek, will likely shed unprofitable businesses. The Punk Princess will soon be able to show whether she has any flair for business. –D.F.

The late Heribert Werhahn

Just one of his successors' problems: Will Saddam Hussein be a $100 million deadbeat?

Werhahn family

Last November clan leader Heribert Werhahn, 65, plunged to his death hiking in the Bavarian Alps. Two months later the family name was dragged into press reports linking Strabag Bau, the big construction company the Werhahns control, with over 70 violations of the arms embargo against Iraq. The company says it acted to protect the lives of its employees still in Iraq. The German government is investigating. Strabag had been working on a highway and airport at Basra since 1980, and is still owed around $100 million for work completed.

To fill Heribert's shoes, the Werhahns named Joachim Gerhard, a nonfamily man, as chairman of the supervisory board at both Strabag and the family holding company, Wilhelm Werhahn K.G. Power on the five-person Werhahn board is concentrated in three cousins—Wilhelm, 52, Michael, 42, and Anton, 32—who keep tabs on the estimated $1 billion fortune for the roughly 180 family members. –P.G.

Karl and Theo Albrecht

The Aldi supermarkets in Berlin are overrun with Poles these days. The big attraction: 500 to 600 basic products, mostly canned or packaged goods, sold from—or by—the carton at prices 20% below other stores. Labor at Aldi never exceeds 4% of sales; net margins are a healthy 1.5% on total turnover of $13.3 billion, according to trade paper *Lebensmittel Zeitung*.

Founded in 1948 by the secretive Albrecht brothers—Theo, 69, and Karl, 71—the discount empire, worth an estimated $3 billion, operates 2,100 stores in western Germany plus 20 of a planned 500 to 600 in eastern Germany. The smallish Aldi stores have spread to neighboring countries. Some 300 prosper in the American Midwest.

Lately, the brothers are trying Britain. Its old-boy supermarket industry *(see Sainsbury)* doesn't like that. Only 15 Aldis have opened—60 stores behind schedule. The Office of Fair Trading threw out Aldi's complaint that British suppliers, pressured by major retailers, refused to sell to Aldi. The case brought Aldi lots of good publicity, and the British love an underdog, especially one with bargains. Aldi wants 200 stores in Britain and is also looking at Italy and Spain. The Albrechts' motto—"Poor people have to buy cheaply, rich people like to"—seems to travel well. –D.F.

Otto family

Like Grete Schickedanz, the Ottos smell opportunity in what was East Germany. Best known for their Otto Versand, world's largest mail-order house, with annual sales of nearly $9 billion, the Ottos also have sizable real estate interests. They will invest over $500 million to build 10 shopping centers in the now cheap east, then manage them like the 32 they run in the west.

While Grete Schickedanz' Quelle is bigger in Germany, Otto Versand is larger worldwide. It has achieved this by buying established catalog names

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Werner Otto

He laid the foundation for a global ...ail-order house.

Wolf Prange

RIGHT:
Grete Schickedanz
and sons-in-law

In Germany, almost everyone knows Quelle. Even the Easties.

that need turning around. In the U.S., the Otto family owns Spiegel, whose revenues have nearly quintupled since 1982. In France it's 3 Suisses. In Japan, Otto Sumisho. And as of March, in Britain it's Grattan.

Werner Otto, 81, fled from eastern Germany to Hamburg after the war to start his mail-order business. In the early 1960s he sold off a minority stake and reinvested the proceeds in real estate—first in Germany, then in Toronto in the 1960s and New York in the mid-1970s. Today son Michael, 48, runs Otto Versand and has pushed global diversification; both oversee the real estate. Total fortune: at least $2.5 billion. –P.G.

Schickedanz family

Prewar, Quelle was Germany's equivalent of Sears, Roebuck. After East Germany's communists fell in 1989, Quelle took a survey and found that 97% of East Germans knew the Quelle name. Quelle hastily compiled mailing lists. When the "Easties" got DM for their funny old Ostmarks last July, they soon had 2.5 million hefty Quelle catalogs in their hands, offering everything from high fashion to garden tools. Quelle's domestic turnover last year shot up 28%, to $4.8 billion, with six months of eastern German consumption alone accounting for a huge $611 million in sales.

Grete Schickedanz, 79, and her two daughters own the catalog business founded by her husband in 1927. She intends to push deeper into what was once East Germany. By year-end, expect 1,200 depots. Over $500 million is being pumped into a new, high-tech distribution center in Leipzig and smaller ones near Dresden and Berlin.

Grete also likes Spain, another developing market. But its postal system is unreliable. So Quelle teamed up with Tabacalera, whose fleet of delivery trucks crisscrosses the country daily to distribute cigarettes to 20,000 *estancos*, or kiosks. Now they deliver Quelle packages, too, and the kiosks are little depots. "In Spain the market for mail order is only 0.6%, compared with western Germany's 5% of the retail sector," says Quelle executive Harald Schroff. "We'll get the Spanish accustomed to it." –D.F.

Otto Beisheim

Very private Otto Beisheim, about 67 (his birth date is unknown), is a German-born Swiss citizen who runs his holding companies from the low-tax canton of Zug. He owns a third of Metro, which he founded in 1964. *(See also Haniel and Schmidt-Ruthenbeck.)* One of the largest retailer-

wholesalers in the world, Metro is also the most secretive. The company keeps such a tight lid on information flow that even a journalist's simplest questions can be answered only by Chief Executive Erwin Conradi.

Last year Metro bought, and quickly resold, 15% of Adidas when the Dassler family decided to sell. In the U.S., Metro owns Jetro, wholesale cash-and-carry superstores.

Lately Beisheim, who's worth over $2 billion, has been making deals with Hollywood. His newly created Medien Handels A.G. bought the German rights to broadcast some 2,500 films last year from Leo Kirch for a reported $110 million to $165 million. He's already flipped over 1,200 titles (including *Fatal Attraction* and *Tootsie*) to private TV station Pro 7, apparently at a big profit. –D.F.

Haniel family

Collectively, the 300 Haniel family members constitute Germany's richest family. The fortune, based on their 235-year-old Franz Haniel & Cie GmbH (they also own a third of Metro), is estimated at about $5.3 billion. Over half of Haniel group sales are in the U.S., mainly at Oklahoma City's Scrivner Inc., the third-largest U.S. food wholesaler. Haniel has built Scrivner sales from $547 million to $6 billion in little more than a decade. Haniel's headquarters is still in the old Ruhr town of Duisburg, where Frederick the Great granted Haniel ancestor Jan Wilhelm Noot the right to build a warehouse, and the business began. –D.F.

Schmidt-Ruthenbeck family

The mysterious brothers Michael and Rainer Schmidt-Ruthenbeck own one-third of the discount retailing giant Metro Group, which they cofounded with Otto Beisheim and the Haniel family. Metro says little about them; they, nothing. A family company in Germany is a lawyer's office, fronting for another company, a lawyer's office in Switzerland. There the trail goes cold.

Karl Heinz Kipp

Worth an estimated $2.3 billion, Karl Heinz Kipp, 67, is an ex-retailer turned real estate man who owns the land under 27 stores of the big German retail chain Massa A.G. He also owns four top Swiss hotels, including the Tschuggen hotel in Arosa, where he lives. His Manhattan real estate, mostly office buildings, is looked after by son Ernst Ludwig, who lives in Annapolis, Md. –P.G.

Reinhard Mohn and family

The world's second-largest media conglomerate, behind Time Warner, Bertelsmann (1990 sales, $7.4 billion) publishes bestsellers by Danielle Steele, distributes records by Whitney Houston and owns 74% of Gruner + Jahr, which puts out popular magazines *Stern* (Germany) and *Parents* (U.S.). This year it's gotten into newspapers in east Germany, and is seeking growth in Europe's deregulated private broadcasting sector.

Reinhard Mohn, 70, who resurrected his family's publishing business from World War II's ashes, retired from the supervisory board last month. His children play no role, and 69% of the Mohns' nearly 90% equity in Bertelsmann—worth $3.5 billion—will go to a foundation after Reinhard's death. –D.F.

Conle family

When Kurt Conle died in 1966, he left to his widow Hilde and daughters Beate Huttner, Vera Conle-Kalinowski and Ulrike Paulus his company, Conle & Co. It in turn currently holds 60% of LTU (1990 sales, $1.2 billion), the German charter and vacation airline. Most of the rest—34%—was sold in 1989 to Westdeutsche Landesbank for a reported $340 million. The bank bounced one daughter's husband out of the company. She's suing.

Value of the Conle family's holdings: $1.1 billion. –P.G.

Herz family

The Herz family, worth over $1.6 billion, owns Germany's famous Tchibo coffee retailing chain and 63% of its largest cigarette maker. Jumping early into east Germany was risky, but it paid off in big market share. Battling Philip Morris in cigarettes, though, has proved less successful.

Gunter Herz, 51, runs the place and shares ownership of Tchibo Holding A.G. with four siblings and their widowed mother. Gunter makes no secret that Tchibo won't be run by family forever. "We have options," he smiles. –P.G.

Friedrich Karl Flick Jr.

In December the twice-divorced former industrial magnate emerged from self-imposed seclusion to marry Ingrid Ragger, an attractive 31-year-old blonde, in a highly publicized civil ceremony. He is 64. The press was better than the Flicks are used to. His father, Friedrich Sr., drew seven years in Nuremberg. And the notorious Flick Affair, a political-payoffs scandal named for Flick Jr., shook the German government in the Eighties.

Wolf Prange

Friedrich Karl Flick Jr.

How happy the bride must be.

Wolf Prange

Manfred von Oppenheim

EC-wide bank consolidation? No sweat.

Flick then abruptly sold his business empire and all but disappeared with his $2.8 billion fortune. According to *Bunte* magazine, he has a $16 million villa in Munich, a Manhattan penthouse, a castle near Paris, homes on the Cote d'Azur and in Palm Springs, a household staff of 100, a Gulfstream jet and a yacht. Congratulations to the bride. –D.F.

Josef Schorghuber

After 40 years of lousy beer, east Germans have bellied up to west German brands with gusto, and Josef Schorghuber, 71, is doing his part to quench their thirst. His Paulaner brewery, Bavaria's largest, was stretched to capacity last year; it is looking to buy or build an eastern brewery, and beer halls in which to sell the suds.

Sometimes called the "Bavarian Goldfinger" because of his impressive business deals and equally impressive girth, Schorghuber made his first money in Munich real estate in the 1950s and 1960s. He built the massive Arabellapark on a large tract of open land not far from downtown Munich. The office and apartment complex is named after his 24-year-old daughter Arabella, but son Stefan, 29, is slated to take over some day. The family's net worth is estimated at $2.1 billion. –P.G.

Rochling family

Some 150 family members strong, the Rochlings are an old German coal and steel clan. They see one of their main companies, arms and machine tools maker Rheinmetall A.G., behind the curve, and are moving into electronics and communications under family members Kurt Wigand Freiherr von Salmuth, 60, and Arthur Graf Saurma-Jeltsch, 63. The far-flung family owns companies worth some $1.6 billion. –P.G.

von Oppenheim family

Their private banking house of Sal. Oppenheim Jr. & Cie ($3.1 billion assets) makes the von Oppenheim cousins—Manfred, 67, and Alfred, 57—worth some $2.4 billion. To compete against larger banks, they have been raising capital by selling valuable assets accumulated for generations. Since the bank was founded, in 1789, the von Oppenheims have weathered 15 currency changes and 11 state systems, including the Third Reich. It's likely they can weather the current wave of European bank consolidation, too. –D.F.

Erivan Haub

Haub, 58, owns Tengelmann Group, the German supermarket chain, worth some $4.9 billion. In the U.S., Tengelmann owns 53% of A&P. Haub reportedly wants to operate 1,000 stores in eastern Germany within five years. Known as the greenest German billionaire, he promotes phosphate-free detergents in his stores. He is also openly pro-American. When Haub took out full-page ads in big German national dailies supporting the U.S. in the Gulf war, several Tengelmann stores were set aflame. –D.F.

Willi Leibbrand

Willi Leibbrand, 59, built his little food wholesaler into a giant discount supermarket chain so fast and furiously in the 1970s that he became known as Germany's king of retailing. He sold out in 1989 for 25% of the

Cologne-based Rewe cooperative chain. With his other assets, Leibbrand is worth over $1 billion. He has also sold out most of his interest in Furr's 126-store supermarket chain, based in Lubbock, Tex.; Leibbrand and a partner bought Furr's in 1984. –P.G.

August and Wilhelm von Finck

August and Wilhelm von Finck, 61 and 63, together worth $2.5 billion, split the family's assets in 1989. Last September August sold the family's famous private bank, Merck Finck, to Barclays. The brothers' children show no interest in banking, and competition is on the rise. Wilhelm has kept the vast forest and farmlands near Munich. August has kept 90% of the Lowenbrau brewery. –D.F.

Voith family

The Voiths, worth around $1.7 billion, are new to the billionaire list this year. There are two family branches: one descended from Hanns Voith, the other from his brother Hermann (both brothers are now dead). The two branches each own 50% of J.M. Voith GmbH, maker of water turbines and papermaking machinery (1990 sales, $1.5 billion).

The two sides fell out in 1989 over a merger proposal. Often such a fight destroys a family company. That it did not destroy J.M. Voith owes to some shrewd planning by a nonrelative named Hugo Rupf.

In the mid-1970s Rupf foresaw that a future family squabble might wreck his 20 years of accomplishments as company chief executive officer. So he put together a special supervisory board studded with some of the biggest names in Germany—it now includes the CEOs of Mercedes and Bosch and the former CEO of Thyssen. Rupf also set it up so that only a 75% majority could remove his board. Neither family branch can do it alone. Thus are the potential forces of destruction held in check.

The Voith company was founded in 1867 by Johann Matthaus Voith, who patented machinery to grind trees into pulp and make paper. Later came sturdy water turbines: A Voith turbine from 1903 is still generating electricity at Niagara Falls. The founder's grandson, Hanns Voith, was the last family member active in management, leaving in 1969. In any family, the managerial blood can run thin. But thanks to Rupf, the Voiths' namesake company can continue to prosper and enrich the Voiths, if necessary, despite themselves. –P.G.

Hans Gerling

He lost control of his company once; got it back. Now he's keeping it.

Hans Gerling

Hans Gerling, 76 and said to be ailing, has put an old friend, Adolf Kracht, in charge of his family's giant industrial insurer, Gerling-Konzern (estimated worth, $1.9 billion). Son Rolf, 37, studies industrial psychology and lives in Zurich.

As lead insurer for a "who's who" of German big business—BASF, Hoechst, Bayer, Siemens, BMW—Gerling-Konzern is now the fourth-largest insurance firm in Germany. What does the future hold? "There's lots of interest from the Americans and Japanese, but we have no interest in selling," says Herwig Gueckelhorn, a board member. –D.F.

Haindl family

While western German newspaper barons fight for new markets in eastern Germany, the family-owned Haindl Group (1990 sales, $1.2 billion; estimated worth, $1.3 billion) from Augsburg does a brisk business selling them the newsprint. And with trees a scarce commodity in Germany, the Haindls have be-

Wolf Prange

Konrad Henkel

Don't fight the whales in the ocean; be the big fish in your own lake.

come acknowledged leaders in paper recycling technology.

Fourth-generation Haindls run the company. Ernst, 65, great-grandson of founder Georg, has been in charge for more than 20 years. His brother Clemens, 54, and members of the fifth generation are waiting in the wings. –P.G.

Grundig family

Max Grundig, one of Germany's most admired postwar entrepreneurs (electronics), died in 1989, at 81. He left third wife Chantal, 42, whom he married late in life, and several children income from a foundation with nearly 6% of Dutch electrical giant N.V. Philips and other assets worth some $1.9 billion. The Grundig heirs busy themselves running seven hotels and a health clinic. And clipping coupons. –P.G.

Henkel family

The fourth-generation Henkel family owns specialty chemicals and detergents combine Henkel KGaA, estimated at $4.2 billion. It flourishes in Germany by avoiding products dominated by the big three (BASF, Bayer, Hoechst), sticking to core businesses where it is a world leader: raw material for cleaning agents, adhesives and surface treatment systems for automobiles. Henkel is in the U.S. with a joint venture with Ecolab and investments in Clorox (27%) and Loctite (27%). Konrad, 75, retired; expect nephew Albrecht Woeste, 55, to continue his successful ways. –D.F.

Oetker family

Oetker brand food products are recognized by 96% of German households. The private company has been in the family for four generations, and is now headed by August Oetker, 47.

Wolf Prange

Rudolf Oetker, third generation

The fourth generation has the baton.

Oetker Group (estimated sales, $2.8 billion) is a hodgepodge of medium-size interests worth $2.6 billion: food, shipping, private banking, insurance, luxury hotels, a Berlin supermarket chain and breweries. For the 1990s look for smallish acquisitions in existing branded-goods lines. –D.F.

Merck family

The Merck family's E. Merck, a well-known drug and chemicals firm (and unrelated to the U.S.' Merck Pharmaceutical), is worth some $2.2 billion. It's showing signs of stress keeping up in drug research, but the chemicals side makes liquid crystals for laptop computers. The man to watch is CEO Hans Joachim Langmann, 66, who married into the family and fought to keep family control when that was in doubt in the early 1960s. Retirement now beckons, and Langmann has yet to pick a successor. –P.G.

Quandt family

Herbert and Harald Quandt rescued automaker BMW from bankruptcy in 1959 and built the company up to

The late Herbert Quandt
Without his rescue of the company, there might not be any BMWs today.

today's international eminence. Both are dead. Herbert's widow, Johanna, 64, and children Susanne, 28, and Stefan, 25, own 62% of BMW and control various other German companies. Herbert Quandt's four other children by previous marriages got lesser properties. Harald Quandt's heirs swapped their BMW shares for Herbert's 10% stake in Daimler-Benz, which they sold for DM1 billion in 1974. The combined Quandt wealth: around $3.7 billion. –D.F.

Von Siemens family

The 200 members of the von Siemens family share the proceeds from a trust that holds over 10% of Siemens A.G. and more of its votes. The trust's holding is worth some $1.7 billion.

In years past Siemens was run by gifted family members who made it one of the world's great manufacturers of electrical machinery. One of the last of those family members, Ernst von Siemens, who guided Siemens from 1949 to 1956, died in December, at 88. Today Siemens—which is in everything from nuclear reactors and streetcars to light bulbs, home appliances and computers—is playing catch-up in computers with U.S. and Japanese competitors. The recently created, publicly quoted Siemens Nixdorf subsidiary has yet to turn profitable. –P.G.

Peter Carl von Siemens
Middle manager, top pedigree.

Boehringer family

Worth $2.2 billion, Boehringer Ingelheim, the big, private German pharmaceutical company built up by Dr. Ernst Boehringer in the 1920s, is owned by his family and run by his nephew, Hubertus Liebrecht. It does 75% of its $2.6 billion sales abroad. Best known overseas for licensing cardiac drug Activase from Genentech, Boehringer has also started clinical trials in the U.S. on its own promising anti-AIDS compound, BI-RG-587, which appears to be less toxic than AZT. –D.F.

Freudenberg family

Freudenberg & Co. (revenues, $2.4 billion) makes its namesake family worth some $1.6 billion. Started in 1849 as a tannery, the company still makes shoes (including Elefanten children's shoes, available in the U.S.) and other leather goods. It is also now Germany's largest textile producer. Various specialty divisions (examples: oil seals and vibration dampers for cars) are being pruned.

"We want to concentrate on areas where we have expertise," explains Reinhart Freudenberg, 59, chief executive officer and one of the 260 family members who together own the company. –D.F.

Mann family

A onetime woodworker, Hugo Mann, 77, built up Wertkauf/Mann Group's 20 hypermarkets before German zoning laws tightened. Now, with no new competition to fear, he watches over son Johannes, 39, who took over as chief executive two years ago. The family's $1-billion-plus fortune is evenly divided among Hugo Mann, his wife, and their three children. –P.G.

Bosch family

The eponymous founder of Robert Bosch GmbH, at $18.7 billion the world's largest maker of automotive parts, once worked for Thomas Edison. In Germany, he's best remembered for introducing the eight-hour workday in 1906—he was dubbed Robert the Red by fellow industrialists—and for building hospitals for his native Stuttgart. Son Robert Jr. left management in 1971 at age 43 to get a doctorate in psychology. Now 63, he and sister Eva, 60, tend nonprofit foundations; their 8% of the company is worth a cool $1.1 billion.–P.G. ■

And then there are those who are supposed to be billionaires. Or want to be. Or used to be. Or might yet be.Some of them make it as far as the listing below.

Better luck next year

Kuwait's **Al-Ghanim** and **Al-Kharafi** families are temporarily suspended from our list of billionaires until the picture clears in their war-torn, looted and still floundering country.

Feyzi Akkaya and **Sezai Turkes**, who founded STFA, one of Turkey's largest contractors, seem worth far less than the $1 billion—each—sometimes attributed to them.

Our review of **Anacleto Angelini Fabbri,** probably resurgent Chile's richest businessman, found about $950 million of holdings in natural resource companies and a big gasoline refiner and distributor. Watch for him next year.

Octav Botnar, long Britain's sole Nissan distributor, has had a loud, noisy falling-out with the Japanese carmaker, which has dropped him. We have followed Nissan's lead.

Germany's **Brost** and **Funke** families share ownership of WAZ, one of Germany's bigger newspaper publishers. The dollar's strength puts each just below $1 billion.

The **Dassler** family, the German makers of Adidas, is rich, but the family sold out at a fraction of the estimated value for its company.

Switzerland's **Mark Diethelm** and his relatives the **Kellers** own a diversified string of companies that appear worth perhaps half the $1 billion some have ascribed to them.

British-French **Sir James Goldsmith** has to show more net equity than we can be sure of at this point.

Martin Hilti's Hilti A.G. made him Liechtenstein's lone billionaire (aside from the Prince) last year. This year his declining stock made him its only ex-billionaire.

Macao's legendary gambling magnate, **Stanley Ho**, is tantalizing, but his $1 billion, if he has it, is still not proved.

Taiwan's **Dr. Shi H. Huang**, new to our list last year, falls off it this year: Earnings at his automotive and financial services companies collapsed.

Japan's **Hisashi Ishii's** stock brokerage firm has seen earnings fall drastically amid the Tokyo stock exchange's stiff downdrafts. His interest is no longer clearly worth $1 billion.

Bahrain's **Kanoo** family has a rather bigger shipping, insurance and oilfield supply business than we thought, but far narrower margins than believed, according to new sources. Not clearly worth $1 billion.

Shigeru Kobayashi, the Japanese real estate magnate who seemed to be buying America a couple of years ago, has accumulated a lot of debt.

Costas Lemos, one of the legendary Greek shipowners, is rich, but what we can find of his secretive business empire looks to be worth far less than $1 billion.

The Greek **Livanos** cousins, George P. and George S., have between them just short of $1 billion in shipping and other interests.

Sweden's **Fredrik Lundberg** and family, owners of 80% of Lundbergforetagen, fall off the list this year, courtesy of Sweden's swooning stock market and no-growth economy.

Robert Miller, Hong Kong's (formerly the U.S.') co-owner of giant Duty Free Shoppers Ltd. (DFS), is still flamboyant, but drastic reverses in the business and its margins put his visible wealth below $1 billion.

Probably Norway's richest man, **Fred Olsen**, shipping magnate and owner of Timex, the watch company, holds a complex empire full of cross-ownership; his interest appears worth about $725 million.

In Canada's New Brunswick province, the Irvings are king. But the McCain brothers are big enough to be troublesome for them: FORBES estimates $800 million for **Harrison** and **Wallace McCain** this year.

South Africa's perennial gold-mining magnate, **Harry Oppenheimer**, is visibly worth $750 million. Invisibly, who knows?

Colombia's **Rodriguez Orejuela** brothers and **Jose Santacruz Londono** dominate the notorious and stealthily burgeoning Cali cocaine cartel. Both might be billionaires, but the evidence is not yet clear enough to include them here.

Kichinosuke Sasaki has Tokyo real estate revalued this year at $3 billion, and debt totaling $2.3 billion.

The secretive **Smorgon** family of Australia built its little-understood empire around steel and packaging, and is feeling the country's poor economy. What's known appears worth $640 million.

Abdul Aziz Al-Sulaiman was believed to have large tracts of Saudi real estate, in Riyadh and elsewhere. New information indicates he has far less than previously estimated, taking him off this list.

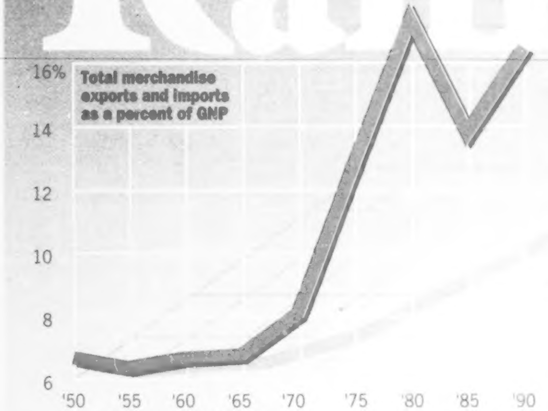
India's famed **Tata** family virtually founded India's industrial base but controls its vast holdings far more through charitable trusts than through direct ownership.

Germany's **Thyssen** family is famous for wealth and steel but, unlike relative Thyssen-Bornemisza, seems well below $1 billion.

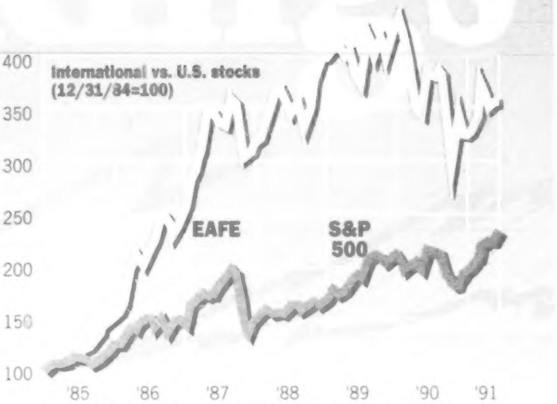
In Greece, everyone has heard of the **Vardinoyannis** brothers' oil refining, trading and shipping empire. It seems worth some $840 million.

The venerable **Wallenberg** family holds much the same position in Sweden's business history and present economy as India's Tatas. This family controls its empire mainly through foundations. ■

The Forbes Foreign Rankings



Source: U.S. Department of Commerce



Source: Morgan Stanley Capital Intl Perspective via Randall-Helms Intl Software

Edited by Steve Kichen; data and text by Ann Anderson, Susan Chin, Scott DeCarlo, Timothy Dodman, Eric Hardy, Gustavo Lombo, Warren Midgett, Tina Russo-McCarthy, Gilbert Steedley and Susan Yu; programming by Carsten Thode

Any business person or investor who still questions the importance of foreign markets need only refer to the two charts above. The first shows that, since 1970, U.S. trade as a share of GNP has doubled, to over 16%. What of those media fears that imports would "hollow out" and destroy America's manufacturing base? The fears have proved hysterical. U.S. manufacturers are now more competitive than ever, exports are rising sharply and manufacturing is accounting for a growing share of GNP. Meanwhile, U.S.-based multinational firms *(see p. 286)* are well-poised to take advantage of Europe in 1992.

The second chart shows that an investor who put $10,000 into the U.S. market in 1985 would now have $23,000 (excluding taxes and dividends). The same initial capital invested in Morgan Stanley's international EAFE index would now be worth over $35,000 but note the greater volatility and risk of overseas investing.

The 100 Cheapest Foreign Stocks 234
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Hunting bargains, globally

IS THE GROWING INTEREST among U.S. investors in acquiring overseas securities just a fad? Or is it driven by something more fundamental? The latter is true, according to Jean-Marie Eveillard, the urbane manager of the $260 million (assets) SoGen International Fund. Says he: "They [U.S. money managers] are buying these stocks not because they want to diversify, nor because they have particular beliefs about Europe in 1992 or the possible opening up of China. They are buying because they find value outside the U.S."

Where are these values? With the help of Morgan Stanley Capital International Perspective's Raye Dube in New York and Steve Zanotti in Geneva, we prepared the following list of foreign stocks that appear undervalued relative to other stocks in their respective markets. All sell for 75% or less of the price/earnings ratio of their national indexes. With the Japanese market selling at 37 times earnings, for example, only Japanese stocks selling at P/Es of 28 or less qualify. We also screened out issues selling at more than 80% of their national market's average price-to-cash-flow ratio and above the average price-to-book value for their country. Finally, we dropped stocks with market values under $200 million.

The following table contains 15 entries from Japan, including some very well known names: Hitachi Ltd., Sony, Toshiba and Toyota Motor. The third-biggest carmaker in the world, Toyota has a P/E that is less than 40% of the Japanese market's. One explanation is that analysts are forecasting Toyota's profits to drop by nearly 10% this year because of the worldwide auto slump. Even so, Toyota is in a lot better shape than most of its competitors.

Don't forget the drawbacks to international investing. Accounting standards are inconsistent, and some nations, such as Japan and Spain, require earnings reports only twice a year. Access to information is another handicap. Over here, newspapers and the evening news cover IBM almost on a daily basis. If you invest in France's Elf Aquitaine Group, you won't hear much about it in the U.S. media. And there is the risk that foreign currency fluctuations can wipe out any profits you might have booked in a company's local currency. For all these reasons, if you plan to invest overseas, you'd better add the *Financial Times* to your daily reading list.

Company/industry	Country	Recent price ($)	EPS 1990 ($)	EPS 1991E ($)	P/E	Price/cash flow	Yield (%)	Revenue ($mil)	Market value ($mil)
ANZ Banking/banking	Australia	2.74	0.33	0.26	8.3	NA	7.2	9,336	2,750
Caltex Australia/energy	Australia	2.08	0.40	0.33	5.2	3.7	3.7	2,354	374
Dominion Mining/gold mines	Australia	0.63	0.07	0.08	9.4	6.2	5.4	175	250
General Property Trust/real estate	Australia	1.95	0.19	0.19	10.1	NA	10.9	NA	1,037
TNT/trucking, RR	Australia	0.82	0.21	0.07	3.9	2.4	13.9	3,451	423
Tubemakers of Australia/machinery & eng	Australia	1.48	0.18	0.09	8.1	6.6	6.2	1,024	399
WD & HO Wills/bev & tobacco	Australia	1.92	0.19	0.20	10.3	6.4	3.2	835	253
Westfield Trust/real estate	Australia	1.51	0.15	0.15	9.8	NA	9.8	NA	867
Arbed SA/metals-steel	Belgium	117.50	28.70	15.85	4.1	1.8	4.8	6,247	735
Banque Natl Belgique/banking	Belgium	918.23	256.30	89.79	3.6	NA	6.2	1,050	367

Stock prices and earnings estimates were converted into U.S. dollars using exchange rates at May 31. Earnings and revenues for 1990 were converted using the average exchange rate for the previous 12 months at fiscal reporting date. E: Estimate. NA: Not available. *Sources: Morgan Stanley Capital International Perspective; FORBES. Earnings estimates provided by the International Edition of the Institutional Brokers Estimate System (IBES), a service of Lynch, Jones & Ryan.*

Company/industry	Country	Recent price ($)	EPS 1990 ($)	EPS 1991E ($)	P/E	Price/ cash flow	Yield (%)	Revenue ($mil)	Market value ($mil)
Cockerill Sambre SA/metals-steel	Belgium	5.00	1.17	0.61	4.3	2.6	6.7	6,078	1,592
Solvay Group/chemicals	Belgium	376.08	59.01	50.07	6.4	3.5	4.9	7,638	3,116
Tessenderlo Chemie/chemicals	Belgium	191.46	27.14	22.56	7.1	3.5	3.9	1,218	261
Bank of Montreal/banking	Canada	31.79	3.60	3.75	8.8	NA	5.8	9,159	3,730
Bank of Nova Scotia/banking	Canada	15.62	2.00	2.18	7.8	NA	5.6	7,984	3,073
BCE Inc/telecomm	Canada	37.03	3.00	3.45	12.3	4.2	6.0	15,747	11,335
Cambior/gold mines	Canada	7.97	0.67	0.66	11.9	6.1	1.5	127	245
Canadian Imperial Bank/banking	Canada	28.40	3.45	3.42	8.2	NA	4.1	11,140	5,121
Dofasco/metals-steel	Canada	17.58	1.44	0.66	12.2	5.0	4.0	1,976	1,189
Hees Intl Bancorp/financial svcs	Canada	16.27	1.96	2.05	8.3	NA	5.3	573	1,300
Hudson's Bay Co/retailing	Canada	28.40	2.87	1.89	9.9	NA	2.5	4,264	1,387
National Bank of Canada/banking	Canada	9.83	0.96	1.26	10.3	NA	7.2	3,754	1,234
Norcen Energy Res Mv/energy	Canada	19.66	1.63	0.00	12.1	4.4	2.7	902	1,177
Pagurian A/financial svcs	Canada	6.01	0.53	0.69	11.3	NA	8.7	NA	546
Power Corp of Canada/multi-industry	Canada	14.96	1.31	1.17	11.4	NA	9.9	200	1,716
Rio Algom/misc materials	Canada	14.31	1.42	1.12	10.1	5.8	4.9	1,151	626
Westcoast Energy/utilities	Canada	17.26	1.23	1.21	14.1	5.0	4.1	1,372	978
J Lauritzen Holding B/shipping	Denmark	220.57	12.63	14.07	17.5	5.2	0.4	1,825	485
East Asiatic Co/multi-industry	Denmark	28.09	2.43	1.42	11.6	6.0	2.7	2,556	601
Superfos Ord/chemicals	Denmark	694.76	69.64	50.80	10.0	5.1	1.9	1,112	286
Unidanmark/banking	Denmark	41.54	3.83	3.84	10.8	NA	3.6	5,790	1,924
Kansallis-Osake Pankki Free/banking	Finland	8.45	0.56	0.63	15.0	NA	4.0	1,301	1,254
Elf Aquitaine Group/energy	France	62.91	7.95	6.77	7.9	3.8	4.2	32,226	15,445
Beghin-Say/food, household	France	108.57	17.45	10.64	6.2	3.4	6.4	6,918	1,230
CGIP/multi-industry	France	184.34	31.59	26.23	5.8	3.7	3.9	2,854	1,084
Cetelem/financial svcs	France	119.74	14.70	14.25	8.1	NA	2.1	NA	770
Chargeurs SA/multi-industry	France	129.38	35.26	13.78	3.7	2.8	5.5	2,018	848
Ciments Francais/bldg materials	France	60.66	8.33	7.16	7.3	3.8	4.2	2,837	1,315
Credit Lyonnais/banking	France	97.92	23.32	19.16	4.2	NA	6.0	40,778	2,860
Eurafrance/financial svcs	France	292.24	39.48	32.47	7.4	NA	3.5	NA	892
Pechiney/metals nonfer	France	57.33	8.09	6.81	7.1	3.7	6.6	14,117	2,897
Peugeot Groupe SA/automobiles	France	101.98	33.97	18.31	3.0	1.9	4.0	29,383	5,093
Pinault/bldg materials	France	53.10	8.92	5.91	6.0	NA	4.5	5,981	1,144
Saint-Gobain/misc materials	France	75.07	9.46	7.71	7.9	3.9	4.9	12,685	4,897
Total-Francaise Petroles/energy	France	132.25	20.39	17.27	6.5	3.2	4.4	23,507	4,847
Thomson CSF SA/aero & defense	France	25.91	3.59	3.44	7.2	4.5	6.7	6,799	2,881
Vallourec/machinery & eng	France	52.09	14.51	4.82	3.6	2.3	4.9	1,328	265
Thyssen Group/metals-steel	Germany	126.29	18.30	13.26	6.9	3.3	7.1	21,364	3,967
Jardine Strategic/multi-industry	Hong Kong	2.29	0.30	0.34	7.7	NA	1.7	1,456	1,604
Banca Commerciale Italian/banking	Italy	3.74	0.38	0.37	9.9	NA	4.1	9,092	3,819
Banca Toscana/banking	Italy	3.71	0.34	0.34	11.0	NA	4.2	1,512	1,023
Credito Fondiario/banking	Italy	4.84	0.49	0.50	9.9	NA	3.2	NA	484
Best Denki/retailing	Japan	11.57	0.43	0.48	26.7	NA	1.6	1,494	1,450
Canon Inc/leisure-goods	Japan	10.92	0.57	0.62	19.2	8.1	0.8	11,934	8,164
Fujitsu Ltd/data processing	Japan	8.17	0.32	0.39	25.3	7.4	0.8	21,029	14,811

Stock prices and earnings estimates were converted into U.S. dollars using exchange rates at May 31. Earnings and revenues for 1990 were converted using the average exchange rate for the previous 12 months at fiscal reporting date. E: Estimate. NA: Not available. *Sources: Morgan Stanley Capital International Perspective; FORBES. Earnings estimates provided by the International Edition of the Institutional Brokers Estimate System (IBES), a service of Lynch, Jones & Ryan.*

THE 100 CHEAPEST FOREIGN STOCKS

Company/industry	Country	Recent price ($)	EPS 1990 ($)	EPS 1991E ($)	P/E	Price/ cash flow	Yield (%)	Revenue ($mil)	Market value ($mil)
Hitachi Ltd/elec & electron	Japan	8.46	0.50	0.50	17.0	6.0	0.9	54,763	27,705
Honda Motor Co Ltd/automobiles	Japan	9.77	0.56	0.45	17.6	5.4	1.0	30,447	9,498
Matsushita Electric Ind/appliances	Japan	12.15	0.88	0.84	13.8	7.1	0.6	46,708	25,439
Mazda Motor Corp/automobiles	Japan	4.34	0.18	0.15	24.8	6.5	1.3	19,210	4,668
Mitsubishi Electric Corp/elec & electron	Japan	5.47	0.24	0.27	22.6	6.3	1.3	23,471	11,703
Nippondenso Co Ltd/industrial comp	Japan	12.30	0.52	0.52	23.5	8.5	0.8	10,440	10,254
Orix/financial svcs	Japan	24.23	2.19	2.37	11.0	NA	0.4	3,152	1,572
Sony Corp/appliances	Japan	45.57	2.44	2.45	18.7	7.6	0.8	25,598	15,430
Teijin Ltd/chemicals	Japan	4.25	0.19	0.18	22.3	NA	1.2	4,339	4,113
Toshiba Corp/elec & electron	Japan	5.67	0.25	0.29	22.4	6.7	1.3	33,232	18,182
Toyota Motor Corp/automobiles	Japan	13.02	0.89	0.82	14.6	7.8	1.1	62,485	43,967
Victor Co Japan/appliances	Japan	11.07	0.45	0.53	24.8	8.6	0.8	6,554	2,812
ABN-Amro Holding NV/banking	Netherlands	19.66	2.77	2.75	7.1	NA	7.5	5,511	5,015
Aegon Insurance/insurance	Netherlands	61.78	9.76	8.03	6.3	NA	5.9	6,616	2,603
Akzo Group/chemicals	Netherlands	58.01	8.20	7.59	7.1	3.3	5.7	9,471	2,577
NV DSM/chemicals	Netherlands	57.35	12.70	9.76	4.5	2.9	7.1	5,582	2,014
Hollandsche Beton/construction	Netherlands	107.46	12.07	11.77	8.9	3.4	4.0	2,307	317
Hoogovens Groep/metals-steel	Netherlands	31.22	7.34	2.37	4.3	1.5	7.2	4,489	696
Telegraaf Holdingmij/media	Netherlands	45.84	6.70	5.91	6.8	4.6	4.4	426	301
Vard A/shipping	Norway	10.15	1.40	0.55	7.3	3.8	–	967	328
Inchcape Berhad/trading	Singapore	2.52	0.23	0.22	11.2	9.9	3.1	457	413
Singapore Airlines/airlines	Singapore	7.64	0.80	0.96	9.5	5.9	2.1	2,783	4,867
Euroc A/bldg materials	Sweden	16.81	1.94	1.36	8.7	4.1	3.4	1,931	587
MoDo Group/forest products	Sweden	41.62	5.42	4.58	7.7	2.9	5.0	3,115	903
Nobel Industries/aero & defense	Sweden	9.92	0.94	0.72	10.6	3.8	3.6	4,460	895
Skand Enskilda Bank/banking	Sweden	11.37	1.06	1.54	10.7	NA	4.6	8,643	2,994
Georg Fischer Inhaber/machinery & eng	Switzerland	1024.60	98.62	93.16	10.4	5.1	3.3	1,828	559
Pargesa Holding Porteur/financial svcs	Switzerland	889.79	116.52	119.11	7.6	NA	4.9	NA	1,085
Sulzer Group/machinery & eng	Switzerland	276.37	33.34	0.00	8.3	3.4	3.7	4,483	932
BBA Group/industrial comp	UK	2.09	0.29	0.20	7.3	3.5	8.1	2,193	625
Bass Plc/bev & tobacco	UK	16.83	2.54	1.56	6.6	6.0	4.5	6,379	7,183
Blue Circle Industries/bldg materials	UK	4.04	0.44	0.31	9.2	5.8	6.3	2,168	2,235
British Aerospace/aero & defense	UK	10.09	1.65	1.58	6.1	2.9	5.6	18,811	2,611
Burton Group/retailing	UK	1.26	0.29	0.09	4.3	3.4	9.0	3,006	706
Cookson Group/misc materials	UK	2.00	0.22	0.15	9.1	4.9	6.8	2,620	891
GKN Plc/machinery & eng	UK	5.86	0.64	0.39	9.1	5.1	7.9	3,641	1,514
Granada/leisure	UK	2.77	0.38	0.24	7.2	2.6	8.5	2,359	834
Greenall Whitley/bev & tobacco	UK	5.72	0.65	0.59	8.9	5.9	4.1	844	681
Laird Group/machinery & eng	UK	3.65	0.44	0.36	8.4	5.2	6.2	871	353
Lucas Industries Plc/industrial comp	UK	2.65	0.35	0.20	7.6	5.7	6.0	3,664	1,829
Ratners/retailing	UK	2.60	0.45	0.36	5.7	3.6	8.7	2,014	761
Steetley/misc materials	UK	5.79	0.62	0.49	9.3	6.0	5.5	1,355	903
T&N/industrial comp	UK	2.62	0.27	0.19	9.8	5.0	9.4	2,238	1,139
TSB Group/banking	UK	2.21	0.23	0.20	9.6	NA	6.5	NA	3,510
Vickers/machinery & eng	UK	3.48	0.48	0.29	7.3	5.8	6.4	1,389	914

Stock prices and earnings estimates were converted into U.S. dollars using exchange rates at May 31. Earnings and revenues for 1990 were converted using the average exchange rate for the previous 12 months at fiscal reporting date. E: Estimate. NA: Not available. *Sources: Morgan Stanley Capital International Perspective; FORBES. Earnings estimates provided by the International Edition of the Institutional Brokers Estimate System (IBES), a service of Lynch, Jones & Ryan.*

Our international competitors

HOW BIG is Japan's economic clout? Pretty overwhelming if you just look at the raw data. Of the 500 largest non-U.S. public corporations, more than one-third—187—call Japan their homeland. Japanese corporations account for 47% of the $6 trillion revenues of the Forbes International 500 and 48% of the $4 trillion in market value. All of the 5 largest non-U.S. companies are Japanese. The largest is Osaka-based C. Itoh & Co., with sales of $151 billion in its fiscal year ended March 1991. This compares with $125 billion for General Motors, America's largest corporation ranked by sales.

But by other measures than revenues, Japanese companies are not so dominant. The biggest Japanese companies list "trading" (read: wholesaling) as their principal business. This means they produce little or nothing but act as middlemen distributing products to retailers and wholesalers. And they have fewer employees than industrial companies with similar-size revenues.

Looked at by other measures than sheer sales volume, Europe-based companies loom relatively larger. For example, our tables list 81 companies in the United Kingdom, with total employment of 4.5 million, while Japan's 187 firms employ only 4 million. The largest Japanese companies employ an average of only 22,000 people (some do not consolidate employees), versus an average 52,000 for the biggest non-Japanese foreign companies.

The largest industrial company headquartered outside the U.S. is oil giant Royal Dutch/Shell Group, with dual

25 largest public foreign companies

Company/business	Country	Revenue ($mil)	Employees (thou)
C Itoh & Co Ltd/trading	Japan	150,789	7.1[2]
Mitsui & Co Ltd/trading	Japan	147,437	11.7
Sumitomo Corp/trading	Japan	141,695	14.2
Mitsubishi Corp/trading	Japan	139,626	33.0
Marubeni Corp/trading	Japan	138,480	9.9
Royal Dutch/Shell/energy	Netherlands	105,255	137.0
Nissho Iwai Corp/trading	Japan	95,711[1]	7.4
Toyota Motor Corp/automobiles	Japan	62,485	96.8
British Petroleum Co/energy	UK	58,966	118.1
Hitachi Ltd/elec & electron	Japan	54,763	309.8
Daimler-Benz Group/automobiles	Germany	52,917	374.2
Tomen Corp/trading	Japan	49,585[1]	3.4[2]
Fiat Group/automobiles	Italy	47,749	303.2
Matsushita Electric Ind/appliances	Japan	46,708	210.8
Nichimen Corp/trading	Japan	46,588	5.3
Nippon Tel & Tel/telecomm	Japan	44,249	277.9
Kanematsu Corp/trading	Japan	43,141	2.7[2]
Nissan Motor Co Ltd/automobiles	Japan	42,220	138.3
Volkswagen Group/automobiles	Germany	42,124	261.0
Credit Lyonnais/banking	France	40,778	68.5
Unilever/food, household	Netherlands	39,604	301.0
Siemens Group/elec & electron	Germany	37,305	374.0
Suez Group/banking	France	34,979	98.0
Sumitomo Bank Ltd/banking	Japan	34,824	16.5[2]
Dai-Ichi Kangyo Bank/banking	Japan	34,753	18.5[2]

25 large nonpublic foreign companies

Company/business	Country	Revenue ($mil)	Employees (thou)
Nippon Life Ins/insurance	Japan	48,897[1]	15.0
ENI-Ente Naz Idrocarburi/energy	Italy	41,760	82.7
Credit Agricole/banking	France	31,730	74.5
Renault Group/automobiles	France	30,048	157.4
Sumitomo Life Ins/insurance	Japan	29,415[1]	11.0
Meiji Mutual Life Ins/insurance	Japan	24,916[1]	7.9
Tengelmann Group/retailing	Germany	23,766	167.0
Daewoo Group/multi-industry	Korea	22,346	85.8
Robert Bosch Group/automobiles	Germany	19,696	179.6
Pemex-Petroleos Mexicanos/energy	Mexico	19,330	168.0
Asahi Mutual Life Ins/insurance	Japan	17,782[1]	8.1
Groupe Usinor Sacilor/metals-steel	France	17,640	93.0
Norinchukin Bank[2]/banking	Japan	15,082[1]	3.1
Mitsui Mutual Life Ins/insurance	Japan	14,661	32.0
Ruhrkohle/energy	Germany	14,186	119.5
Neste Group/energy	Finland	12,194	11.7
Idemitsu Kosan Co Ltd[2]/energy	Japan	11,977[1]	5.6
Statoil Group/energy	Norway	11,559	13.2
Sunkyong Group/multi-industry	Korea	10,597	21.0
Indian Oil Corporation/energy	India	10,571[1]	33.4
Bank of China/banking	China	10,360	89.2
Vendex Intl Group/retailing	Netherlands	10,201	89.1
Krupp Group/metals-steel	Germany	9,779	58.9
Koc Group/multi-industry	Turkey	9,450	40.9
Bertelsmann/media	Germany	7,494	43.5

[1] Figures are latest available. [2] Not consolidated.

Super Fifty

Rank	Company	Business	Country	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($mil)	Employees (thou)
1	**Royal Dutch/Shell Group**	energy	Netherlands	105,255	6,458	106,368	72,332[4]	137.0
2	**Sumitomo Bank Ltd**	banking	Japan	34,824	1,023	372,401[1]	56,338	16.5[2]
3	**Nippon Telegraph & Telephone**	telecomm	Japan	44,249	1,671	80,751	102,712	277.9
4	**Mitsubishi Bank Ltd**[3]	banking	Japan	26,670[1]	969[1]	354,972[1]	58,027	14.5[2]
5	**Sanwa Bank Ltd**	banking	Japan	31,739	800	401,465	49,900	13.9
6	**British Petroleum Co**	energy	UK	58,966	2,991	59,184	30,377	118.1
7	**Fuji Bank Ltd**	banking	Japan	31,144	722	366,745[1]	58,633	14.7[2]
8	**Toyota Motor Corp**	automobiles	Japan	62,485	3,000	55,141	43,967	96.8
9	**Dai-Ichi Kangyo Bank**	banking	Japan	34,753	648	408,025[1]	57,326	18.5[2]
10	**Hitachi Ltd**	elec & electron	Japan	54,763	1,629	60,469	27,705	309.8
11	**Mitsui Taiyo Kobe Bank**	banking	Japan	31,568	609	434,608	48,650	22.9
12	**Matsushita Electric Industrial**	appliances	Japan	46,708	1,833	49,943[1]	25,439	210.8
13	**Daimler-Benz Group**	automobiles	Germany	52,917	1,042	45,073	20,354	374.2
14	**Barclays Plc**	banking	UK	31,234	698	260,063	11,975	116.8
15	**Elf Aquitaine Group**	energy	France	32,226	1,951	42,319	15,445	90.0
16	**British Telecommunications**[3]	telecomm	UK	24,307	3,372	33,997	39,730	237.4
17	**Deutsche Bank Group**	banking	Germany	23,309	634	266,423	17,215	68.6
18	**Industrial Bank of Japan**	banking	Japan	22,643	467	259,860[1]	64,123	5.1[2]
19	**Siemens Group**	elec & electron	Germany	37,305	913	41,206	19,447	374.0
20	**Unilever**	food, household	Netherlands	39,604	1,980	24,737	23,876[5]	301.0
21	**Fiat Group**	automobiles	Italy	47,749	1,346	65,869	9,826	303.2
22	**Nestle**	food, household	Switzerland	33,379	1,636	27,461	21,863	199.0
23	**Toshiba Corp**	elec & electron	Japan	33,232	855	32,958[1]	18,182	156.0
24	**Mitsubishi Corp**	trading	Japan	139,626	462	84,613	14,246	33.0
25	**Tokyo Electric Power Co**[2]	utilities	Japan	31,028	418	78,638	37,496	39.6
26	**Allianz AG Holding**	insurance	Germany	18,658[1]	501[1]	78,497[1]	25,936	43.1
27	**Suez Group**	banking	France	34,979	716	156,622	7,697	98.0
28	**British Gas Plc**	utilities	UK	17,538	2,500	24,085[1]	18,350	81.8
29	**Sony Corp**	appliances	Japan	25,598	828	32,642	15,430	112.9
30	**Alcatel Alsthom**	elec & electron	France	26,455	943	37,931	10,987	205.5
31	**National Westminster Bank Group**[3]	banking	UK	29,218	541	232,281	8,734	112.6
32	**Nippon Steel Corp**	metals-steel	Japan	20,816[1]	819[1]	26,724[1]	23,170	55.3[2]
33	**Bank of Tokyo Ltd**	banking	Japan	20,314	347	202,854[1]	20,444	17.0
34	**Union Bank of Switzerland**	banking	Switzerland	13,150	646	180,612	11,585	27.5
35	**Imperial Chemical Industries**	chemicals	UK	23,034	1,101	20,821	15,554	132.1
36	**Tokai Bank Ltd**	banking	Japan	18,969	310	230,358[1]	26,080	11.8[2]
37	**B. A. T Industries**	bev & tobacco	UK	15,284	634	48,140	17,646	110.8
38	**Bayer Group Worldwide**	chemicals	Germany	25,773	1,164	25,400	10,773	171.0
39	**UAP-Union des Assur de Paris**	insurance	France	17,868	775	86,074[1]	8,325	39.6
40	**BCE Inc**	telecomm	Canada	15,747	983	36,186	11,335	119.0
41	**Mitsubishi Trust & Banking**	financial svcs	Japan	10,711[1]	491[1]	130,883[1]	18,461	6.5[2]
42	**Mitsubishi Heavy Industries**	machinery & eng	Japan	18,191	686	21,864[1]	18,194	55.8
43	**Long-Term Credit Bank of Japan**	banking	Japan	17,773	264	187,242[1]	29,767	3.6[2]
44	**Sumitomo Trust & Banking**	financial svcs	Japan	10,826[1]	494[1]	109,947[1]	15,558	7.1[2]
45	**Nomura Securities**	financial svcs	Japan	8,411[1]	1,933[1]	39,188[1]	30,777	16.0
46	**Nissan Motor Co Ltd**	automobiles	Japan	42,220	346	45,786	13,588	138.3
47	**Hoechst Group**	chemicals	Germany	27,766	927	22,885	9,225	172.9
48	**Volkswagen Group**	automobiles	Germany	42,124	672	41,977	7,264	261.0
49	**VEBA Group**	utilities	Germany	33,976	677	24,396[1]	9,773	106.8
50	**Dresdner Bank**	banking	Germany	14,059	559	187,032	7,733	42.2

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[1] Figures are latest available. [2] Not fully consolidated. [3] U.S. GAAP. [4] Combined market value for Royal Dutch Petroleum and Shell Transport & Trading. Price, EPS and yield are only for Royal Dutch Petroleum. [5] Combined market value for Unilever NV and Unilever Plc. Price, EPS and yield are only for Unilever NV.

headquarters in Holland and the U.K. Employing 137,000, it had dollar-denominated sales of $105 billion last year—which makes it the second-largest oil concern in the world after Exxon, whose 1990 sales were only a smidgen higher. (Exxon has 104,000 employees.)

In our country-by-country listing of the International 500 (starting below) we rank companies according to revenues. The International Super Fifty *(see page 239)* are the biggest international companies based on their composite rankings for sales, profits, assets and market value.

Much of the financial information needed to create these tables was provided by Geneva, Switzerland-based Morgan Stanley Capital International Perspective. Its extensive database covers 2,750 non-U.S. companies in 34 nations, making it one of the most comprehensive sources for foreign stock market information. Earnings estimates come from the international database of the Institutional Brokers Estimate System, a service of New York brokerage firm Lynch, Jones & Ryan. It compiles earnings information from 3,200 analysts on 6,000 foreign companies in 28 countries.

What's ahead for the rest of this year for the big overseas companies? For 1991 security analysts are looking for only single-digit earnings growth for much of industrialized Europe, including Germany, France and Spain. The analysts expect earnings declines to hit Belgium, Italy and Switzerland. Among the countries in our survey, Norway is expected to post the best profit gain this year—26%.

There are no interim data in the tables below; revenue, net income and assets are as of the latest available fiscal year. For our per-share earnings figures, we designate as fiscal 1990 any fiscal year ending later than May 1990. For example, Japan's Yasuda Trust & Bank, ranked 222, has not reported for the fiscal year ending in March 1991. That's why we show the IBES estimate of $0.22 a share as Yasuda's 1990 earnings. This estimate is marked with an "E." We also show a 1991 earnings estimate of $0.24 for this financial services company.

With the exception of Brazil, all sales and net income figures are converted into U.S. dollars using the local currency's 12-month average exchange rate as of the fiscal month-end. Because of the high level of inflation in Brazil, for companies in this country we use the month-end exchange rate as of the fiscal reporting date. For all companies, assets were converted at the month-end exchange rate prevailing at the reporting date. Stock prices, market values and 1991 earnings estimates reflect the exchange rates as of our pricing date, May 31, 1991.

Australia

P/E 15 • Yield 5% • Market value $125 billion • Year to date price change 21%

Investors unafraid of getting into something early should look toward Australia. Positioned in time and space between the closing of the U.S. stock markets and the opening of European exchanges, Sydney's trading bell rings ahead of every other major exchange. The average Australian stock has a healthy 5.1% yield, one of the highest in the world. And unlike the U.S., Australian stock dividends are no longer subject to double taxation. The Australian equity market does face some competition from bonds (Aussie government bonds are 260 basis points above U.S. rates), but a moderation in inflation has brought yields down. A cheaper currency helped Australia's trade balance improve dramatically in 1990. Despite a handsome recovery this year, Australian stocks are still off 18% (in U.S. dollars) from their highest month-end close of September 1987.

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS		Yield (%)	Employees (thou)
							1990 ($)	1991E ($)		
119	●**Westpac Banking**[3]/banking	11,599	319	87,601	4,247	3.62	0.28	0.34	8.9	45.4
121	●**Coles Myer Ltd**/retailing	11,375	282	4,132	4,441	8.26	0.53	0.51	3.4	158.7
140	●**Broken Hill Prop**/energy	10,305	847	16,629	14,281	9.47	0.57	0.69	3.3	52.0
150	●**National Australia Bank**/banking	9,739	599	78,193	5,907	5.08	0.61	0.56	7.6	41.0
157	■**ANZ Banking**/banking	9,336	322	81,610	2,750	2.74	0.33	0.26	7.2	50.4
211	●**Foster's Brewing Group**/trading	7,891	248	8,415	2,601	1.16	0.11	0.07	1.6	23.2
249	●**News Corp Ltd**[3]/media	6,745	158	15,804	1,888	7.03	0.49	0.73	1.1	32.0
373	●**Bond Corp Holdings**/multi-industry	4,522	–473	1,714	42	0.10	–1.98	NA	0.0	NA
423	●**Pacific Dunlop**/multi-industry	3,886	231	3,354	2,947	4.06	0.32	0.25	3.9	41.0
432	●**Pioneer Intl**/bldg materials	3,782	92	3,672	1,431	1.90	0.12	0.15	6.0	11.1
457	●**CRA Limited**/metals nonfer	3,590	369	6,060	5,634	9.55	0.54	0.61	3.5	19.4
459	■**CSR Group**/multi-industry	3,582	254	4,751[1]	3,321	4.28	0.33	0.32	7.1	22.4
470	■**TNT**/trucking, RR	3,451	108	3,452	423	0.82	0.21	0.07	13.9	52.0
479	■**Amcor Ltd**/forest products	3,366	139	3,068	1,958	4.02	0.30	0.26	5.1	18.0

● Sponsored ADR. ■ Non-sponsored ADR. All figures except per-share items are in millions of U.S. dollars. General note: Revenue, net income and 1990 EPS are converted at an average rate of exchange for the fiscal year; assets are converted at fiscal year-end rate. Revenue figures are for group or consolidated operations and exclude excise taxes and duties. For companies with January, February or March fiscal year-ends, fiscal 1990 figures are used unless noted. Market value is as of May 31, 1991. [1] Figures are latest available. [2] Not fully consolidated. [3] U.S. GAAP. E: Estimate. NA: Not available. *Sources: Morgan Stanley Capital International Perspective; FORBES. Earnings estimates provided by the International Edition of Institutional Brokers Estimate System (IBES).*

Belgium

P/E 11 • Yield 5% • Market value $65 billion • Year to date price change 15%

Brussels houses the main body of the 12-nation EC. A favorable tax system for distribution centers helps Belgium attract foreign companies. The little (pop. 10 million) country's positive outlook toward free trade is no surprise. Fully 70% of its GNP goes out of the country as exports. Linking the Belgian franc to the deutsche mark helps keep Belgium's currency stable and lowers the possibility of imported inflation. Belgium's downside? If its trading partners catch colds, Belgium gets pneumonia. But considering its experience with cross-border trade, Belgium is well positioned for next year's full economic integration of the common market.

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
101	●**Petrofina SA**/energy	13,015	650	12,308	7,262	327.24	28.70	27.32	4.8	23.8
183	**Generale Bank Group**/banking	8,507	241	76,047	2,044	142.34	16.82	17.14	7.1	15.6[2]
210	**Delhaize "Le Lion"**/retailing	7,965	113	2,388	2,215	216.02	10.89	12.31	1.2	62.5
216	**Solvay Group**/chemicals	7,638	501	8,906	3,116	376.08	59.01	50.07	4.9	45.7
244	**Bank Bruxelles Lambert**/banking	6,811	95	65,722	1,198	78.43	6.25	8.43	6.5	17.0
267	**Arbed SA**/metals-steel	6,247	180	8,370	735	117.50	28.70	15.85	4.8	54.0
268	**GIB Group**/retailing	6,215	90	2,370	1,198	38.40	3.03	2.99	2.9	18.4
276	**Cockerill Sambre SA**/metals-steel	6,078	374	5,215[1]	1,592	5.00	1.17	0.61	6.7	29.0
279	**Kredietbank NV**/banking	6,026	186	54,330	1,764	120.29	14.26	12.89	5.3	11.6
300	**Electrabel SA**/utilities	5,626	663	NA	6,434	125.87	12.42E	11.97	8.3	35.2
454	**ACEC-Union Miniere**/metals nonfer	3,607	109	3,942	1,661	67.12	4.40	3.15	5.0	16.7

Canada

P/E 21 • Yield 3% • Market value $242 billion • Year to date price change 9%

Canada's unemployment rate is 10.3% and could go higher. The Bank of Montreal's *Business Review* expects that in the second half of 1991 the Canadian dollar will weaken against the U.S. dollar and interest rates will drop. However, even if the economy rebounds in the second half, it is unlikely Canada's gross domestic product will show a gain for the year. Ernest Stokes of Toronto's Wefa Group, an economic consulting firm, is forecasting that 1991's gross domestic product will show a 0.7% decrease. On a total-return basis (pretax capital gains plus dividends) Canada has been one of the worst-performing markets of the last five years.

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
81	**BCE Inc**/telecomm	15,747	983	36,186	11,335	37.03	3.00	3.45	6.0	119.0
107	**Royal Bank of Canada**/banking	12,531	827	107,879	6,689	22.18	2.57	2.53	4.6	50.1
123	**Canadian Imperial Bank**/banking	11,140	687	97,821	5,121	28.40	3.45	3.42	4.1	35.8
158	**George Weston Ltd**/retailing	9,304	107	3,195	1,740	37.57	2.16	1.83	1.6	64.2
164	**Bank of Montreal**/banking	9,159	447	74,841	3,730	31.79	3.60	3.75	5.8	33.6
170	**Canadian Pacific Ltd**/multi-industry	8,999	305	17,430	5,671	17.81	0.95	0.70	4.5	72.2
179	**Alcan Aluminium Ltd**/metals nonfer	8,757	543	10,649	4,747	21.30	2.33	0.51	5.3	57.0
200	**Noranda**/metals nonfer	8,086	103	12,856	3,305	17.37	0.31	0.12	5.0	56.0
208	**Bank of Nova Scotia**/banking	7,984	439	74,719	3,073	15.62	2.00	2.18	5.6	30.1
253	**Toronto-Dominion Bank**/banking	6,644	510	57,307	4,867	16.16	1.54	1.49	4.1	24.6
303	**Provigo Inc**/retailing	5,599	52	1,298	846	9.83	0.61	0.72	2.1	13.5
317	**Thomson Corp**/media	5,364	385	7,860	7,932	14.31	0.70	0.72	3.2	44.8
335	**Seagram Co Ltd**/bev & tobacco	5,027	756	11,477	10,270	109.22	8.03	8.14	1.8	17.6
347	**Great-West Lifeco**/insurance	4,859	100	18,016	1,085	13.76	1.27	1.39	3.2	6.6
390	**Royal Trustco Ltd**/banking	4,307	–56	35,289	1,453	9.61	–1.03	0.66	6.7	9.2
393	**Hudson's Bay Co**/retailing	4,264	136	2,666	1,387	28.40	2.87	1.89	2.5	37.0
408	**Nova Corp of Alberta**/utilities	4,059	159	6,046	2,391	7.98	0.48	0.42	5.7	10.0

● Sponsored ADR. ■ Non-sponsored ADR. All figures except per-share items are in millions of U.S. dollars. General note: Revenue, net income and 1990 EPS are converted at an average rate of exchange for the fiscal year; assets are converted at fiscal year-end rate. Revenue figures are for group or consolidated operations and exclude excise taxes and duties. For companies with January, February or March fiscal year-ends, 1990 figures are used unless noted. Market value is as of May 31, 1991. [1]Figures are latest available. [2]Not fully consolidated. E: Estimate. NA: Not available. *Sources: Morgan Stanley Capital International Perspective; FORBES. Earnings estimates provided by the International Edition of Institutional Brokers Estimate System (IBES).*

Canada

P/E 21 • Yield 3% • Market value $242 billion • Year to date price change 9%

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
412	**John Labatt**/bev & tobacco	3,968	143	2,529	1,530	19.99	1.70	1.62	3.4	16.5
414	**Oshawa Group Ltd**/retailing	3,946	52	855	979	26.87	1.67	1.98	1.5	16.5
439	**National Bank of Canada**/banking	3,754	146	30,771	1,234	9.83	0.96	1.26	7.2	13.9
460	**Varity**/machinery & eng	3,565	102	2,975	632	2.53	0.34	0.16	0.0	18.7
477	**Air Canada**/airlines	3,376	–63	3,946	623	8.41	–0.87	–0.55	0.0	23.1

France

P/E 12 • Yield 3% • Market value $323 billion • Year to date price change 21%

By capitalization, the French stock market is the fourth-largest foreign market, after Japan, the U.K. and Germany. France's economy slowed in 1991: According to the French Finance Ministry, GDP is expected to grow 1.5% in 1991, versus 2.8% in 1990. Paul Meyer, the head of International Equities at Societe Generale Securities in New York, expects the French market will not finish the year much higher than its current level. Meyer expects that the CAC 40 index of French stocks will fluctuate between 1800 and 1900 points (it is currently at 1776). In 1990 the French spent more than $9 billion on acquiring or merging with U.S. assets. The biggest purchases: acquisitions of Rorer Group by Rhone-Poulenc and Norton Co. by Saint-Gobain.

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
20	**Credit Lyonnais**/banking	40,778	681	285,238	2,860	97.92	23.32	19.16	6.0	68.5
23	**Suez Group**/banking	34,979	716	156,622	7,697	59.06	5.23	5.81	3.4	98.0
29	●**Elf Aquitaine Group**/energy	32,226	1,951	42,319	15,445	62.91	7.95	6.77	4.2	90.0
37	■**Peugeot Groupe SA**/automobiles	29,383	1,708	22,523	5,093	101.98	33.97	18.31	4.0	158.1
40	**BNP Group**/banking	27,958	297	289,747	2,758	44.80	4.82	6.46	3.0	59.8
44	●**Alcatel Alsthom**/elec & electron	26,455	943	37,931	10,987	101.30	8.70	8.59	3.1	205.5
50	**Total-Francaise Petrol**/energy	23,507	746	20,643	4,847	132.25	20.39	17.27	4.4	39.9
55	**Generale des Eaux**/services	21,486	408	18,663[1]	8,773	450.19	20.94	22.67	2.3	154.0
56	**Societe Generale**/banking	21,401	492	218,381	5,140	74.75	7.16	7.60	5.1	45.8
62	**Paribas Group**/banking	19,228	467	184,232	5,590	80.50	6.73	7.27	3.8	26.9
68	**UAP-Union des Assur**/insurance	17,868	775	86,074[1]	8,325	99.10	9.23	9.28	2.8	39.6
71	**GAN-Assur Nationales**/insurance	17,556	441	116,046	3,487	341.62	42.40	42.60	2.3	49.0
89	●**Rhone-Poulenc Group**/chemicals	14,473	201	21,280	3,368	59.19	3.54	4.28	6.7	91.6
91	**Pechiney**/metals nonfer	14,117	902	14,156	2,897	57.33	8.09	6.81	6.6	69.7
95	**Carrefour Group**/retailing	13,929	248	6,034	4,314	337.39	19.47	20.33	2.4	51.3
102	**Lyonnaise des Eaux-Dumez**/services	12,980	262	18,542	4,638	101.47	5.81	5.63	2.5	110.0
105	**Saint-Gobain**/misc materials	12,685	617	17,423	4,897	75.07	9.46	7.71	4.9	96.1
120	**Michelin Group**/industrial comp	11,521	–884	14,829	1,863	17.42	–8.26	–2.09	0.0	123.0
128	**Promodes Group**/retailing	10,739	70	4,695	1,140	366.82	22.41	22.65	1.8	33.2
138	**Bouygues Group**/construction	10,418	115	11,316	1,717	104.69	7.03	7.28	3.6	57.5
148	**AGF-Assur Generales**/insurance	9,744	496	36,698	4,640	90.65	11.32	10.98	2.6	20.0
152	●**BSN-Groupe**/food, household	9,714	568	11,562	8,530	153.56	10.22	10.21	2.2	49.7
163	**Schneider SA**/machinery & eng	9,161	170	9,667	1,780	125.82	12.00	11.46	2.6	75.0
193	**Casino Groupe**/retailing	8,240	71	2,647[1]	1,135	22.81	1.43	6.81	5.6	33.0
238	**Credit Commercial**/banking	7,023	149	55,269	1,371	25.84	2.82	2.74	3.4	11.2
245	●**Thomson CSF SA**/aero & defense	6,799	399	13,794	2,881	25.91	3.59	3.44	6.7	37.8
262	■**Groupe Bull**/data processing	6,350	–1,247	5,570	362	7.51	–2.30E	–1.02	0.0	44.5

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France

P/E 12 • Yield 3% • Market value $323 billion • Year to date price change 21%

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
272	**Credit Foncier**/banking	6,161	128	63,475	2,064	214.78	13.33	21.09	4.3	3.4
281	**Pinault**/bldg materials	5,981	192	2,284[1]	1,144	53.10	8.92	5.91	4.5	34.0
282	**Lafarge Coppee**/bldg materials	5,976	403	8,971	3,463	64.69	7.52	6.32	3.5	31.0
306	■**L'Oreal Group**/personal care	5,575	334	4,901	5,690	98.09	5.75	5.49	1.8	29.3
310	**Hachette SA**/media	5,518	90	5,159	663	33.74	4.59	1.81	3.0	31.0
319	**Groupe Printemps**/retailing	5,362	58	2,922[1]	737	107.22	8.53	7.94	3.6	30.0
321	■**L'Aire Liquide Group**/chemicals	5,310	362	7,127	6,069	118.72	7.08	7.31	2.8	27.0
340	**SAE-Aux d'Enterprise**/construction	4,941	46	5,502	810	199.56	11.40	13.93	4.2	26.0
349	**Docks de France**/retailing	4,849	57	1,937	733	635.04	49.22	47.30	3.1	21.1
364	**Euromarche SA**/retailing	4,648	1	1,899	801	713.68	0.92	5.47	0.0	17.2
376	**CMB Packaging**/misc materials	4,484	135	4,841	1,953	24.46	1.69	1.88	3.7	34.0
380	**Matra**/aero & defense	4,471	111	5,333[1]	951	40.93	4.79	4.39	5.0	21.2
384	**OCP-Office Commercial**/chemicals	4,415	10	1,108	187	85.41	4.72	10.93	4.0	6.1
388	●**Havas**/services	4,345	202	3,408	3,210	83.55	5.26	4.87	2.1	11.4
398	**Accor SA**/leisure	4,194	146	5,279	2,808	131.74	6.87	7.41	2.9	65.9
426	**GTM-Entrepose**/construction	3,874	29	5,656	649	75.09	3.31	4.97	2.0	25.0
441	■**Valeo**/industrial comp	3,707	111	3,340	955	77.63	9.00	6.53	2.0	29.3
446	**Comptoirs Modernes SA**/retailing	3,665	53	1,511	810	197.53	12.84	13.48	2.1	15.7
449	●**LVMH**/bev & tobacco	3,642	620	8,813	10,023	721.12	44.63	46.55	2.4	13.3
452	**Imetal**/metals nonfer	3,613	73	1,569	600	52.00	6.32	5.54	4.4	5.9
458	**Poliet SA**/bldg materials	3,586	209	2,820	1,067	78.64	15.38	8.85	3.2	15.0
468	**Dassault Aviation SA**/aero & defense	3,454	52	7,046	796	78.64	5.17	7.01	2.4	15.7

Germany

P/E 16 • Yield 3% • Market value $358 billion • Year to date price change 20%

In 1990 west Germany matched its strongest GNP growth (4.6%) since 1976. But the former communist part of the country witnessed a 50% drop in GNP following the dismemberment of its planned economy. Unemployment fell 0.7% in west Germany, but over a million people were reported out of work in the east. Elisabeth Messner, an economist for the Union Bank of Switzerland, conservatively estimates that east German unemployment will top 1.5 million this year. Reunification has also brought a sharp rise in government debt: The combined deficit of federal, state and local governments and Germany's share of the Unity Fund (for rebuilding east Germany) are expected to rise to nearly DM 150 billion ($80 billion) in 1991, or 5.3% of GNP.

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
11	■**Daimler-Benz Group**/automobiles	52,917	1,042	45,073	20,354	436.85	29.65	28.24	2.5	374.2
19	●**Volkswagen Group**/automobiles	42,124	672	41,977	7,264	226.29	23.02E	18.03	4.4	261.0
22	■**Siemens Group**/elec & electron	37,305	913	41,206	19,447	372.79	25.98	25.09	3.1	374.0
26	**VEBA Group**/utilities	33,976	677	24,396[1]	9,773	218.71	17.45	16.30	4.5	106.8
39	■**BASF Group**/chemicals	28,856	685	24,602	8,507	149.25	14.85	13.26	7.8	134.1
41	■**Hoechst Group**/chemicals	27,766	927	22,885	9,225	158.90	17.95	15.50	7.3	172.9
46	■**Bayer Group**/chemicals	25,773	1,164	25,400	10,773	168.60	18.57	16.94	6.9	171.0
48	■**RWE Group**/utilities	24,901	441	29,286	10,307	243.40	13.85	14.87	3.7	97.6
52	■**Deutsche Bank Group**/banking	23,309	634	266,423	17,215	390.07	35.03E	35.82	3.2	68.6
57	■**Thyssen Group**/metals-steel	21,364	375	14,626	3,967	126.29	18.30	13.26	7.1	149.6

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Germany

P/E 16 • Yield 3% • Market value $358 billion • Year to date price change 20%

1990 Rank	**Company**/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
66	**Allianz Worldwide**/insurance	18,658[1]	501[1]	78,497[1]	25,936	1,440.87	31.44E	36.22	0.8	43.1
75	**BMW-Bayerische Motor**/automobiles	16,821	431	15,061	5,185	326.64	35.28	30.31	3.4	65.8
84	**Preussag Group**/multi-industry	15,319E	243E	8,695	2,945	208.38	19.12	17.51	4.6	68.6
87	■**Mannesmann Group**/machinery & eng	14,818	294	12,146	5,095	160.16	14.71	10.10	5.0	125.4
92	■**Dresdner Bank**/banking	14,059	559	187,032	7,733	221.47	16.09E	15.39	4.9	42.2
111	**VIAG Group**/multi-industry	12,038	207	7,023[1]	3,858	217.28	18.75E	17.57	3.3	56.0
115	**Metallgesellschaft**/multi-industry	11,706	114	7,166	2,349	307.69	14.58	12.63	2.9	30.0
122	●**Commerzbank**/banking	11,259	343	144,240	3,966	154.13	13.06E	13.09	5.8	28.2
132	**M A N Group**/machinery & eng	10,660	175	10,387	3,247	224.46	14.58	15.44	4.4	65.9
147	■**Bayer Vereinsbank**/banking	9,827	201	137,796	3,672	231.92	19.56E	19.46	5.0	20.2
159	■**Karstadt Group**/retailing	9,304	141	4,036	2,670	370.84	17.39E	17.05	2.9	71.0
168	**Kaufhof**/retailing	9,036	74	2,791[1]	2,639	308.84	11.15	11.42	3.1	44.8
174	■**Deutsche Lufthansa**/airlines	8,943	9	9,732	2,243	74.11	–0.12E	–1.21	0.0	57.6
194	**Degussa AG**/misc materials	8,222	87	4,502	1,496	204.94	15.06	11.14	4.8	35.0
202	**Bayer Hypotheken**/banking	8,075	189	116,834	3,591	216.99	21.11E	20.84	5.4	14.4
214	■**Hoesch Group**/metals-steel	7,780	61	6,675	1,057	148.57	18.57	15.96	6.0	52.2
223	**Henkel Group**/food, household	7,438	241	6,133	4,912	349.60	19.81	19.35	2.4	38.8
229	**Munchener Ruck**[2]/insurance	7,246	38	20,249	10,153	1,389.21	11.51	16.36	0.7	1.8
323	■**Continental Group**/industrial comp	5,292	58	4,128	955	108.78	6.87	4.13	3.3	48.2
338	**Asko**/retailing	4,973[1]	67[1]	3,446[1]	1,545	465.56	29.84E	40.36	2.9	34.4
400	**Philipp Holzmann AG**/construction	4,186[1]	78[1]	2,788[1]	2,496	887.49	14.36E	17.97	1.0	28.4
417	**VEW-Vereinigte Elekt**/utilities	3,917	94	6,725	2,417	120.84	7.04	6.72	4.8	8.0
437	**Linde AG**/machinery & eng	3,756	126	3,873	3,327	486.80	26.30	25.20	2.8	25.8
440	**Hochtief**/construction	3,720	51	2,563[1]	4,363	872.56	16.22E	17.51	1.0	26.2
445	**Schering Group**/personal care	3,666	160	4,266	3,233	473.02	25.99	26.23	2.5	26.0
467	**BayWa AG**/trading	3,475	5	1,248	200	189.44	NA	NA	1.9	11.4
469	■**Klockner-Werke Group**/metals-steel	3,452	42	3,631	747	81.52	20.37	9.19	5.5	34.8
472	**Deutsche Babcock**/machinery & eng	3,425	–50	1,941	672	98.85	–0.06	1.32	0.0	29.7

Italy

P/E 16 • Yield 3% • Market value $161 billion • Year to date price change 17%

While most Western economies were struggling with a recession, Italy technically avoided one: It had only one quarter of negative GNP growth (in the fourth quarter of 1990). Nevertheless, the Union Bank of Switzerland estimates that Italy's GDP will show real growth, after inflation, of only 1.7% in 1991. This would be the lowest growth rate for Italy since 1983.

New stock exchange intermediaries (SIMs) have been approved by the lower house of parliament. Known as *Societa di Intermediazione Mobiliare* in Italian, this new type of brokerage should increase competition in securities trading, thereby lowering transaction costs and improving market efficiency. A computerized linkup among the ten regional markets is also in the works.

1990 Rank	**Company**/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
13	●**Fiat Group**/automobiles	47,749	1,346	65,869	9,826	4.58	0.56	0.26	6.2	303.2
76	■**STET**/telecomm	16,693	NA	39,118[1]	7,969	1.77	0.18E	0.18	4.4	121.3
94	●**Ferruzzi/Montedison**/multi-industry	13,971	207	30,774	4,406	1.18	0.15	0.24	3.3	44.6
156	**Generali Group**/insurance	9,399[1]	418[1]	28,390[1]	16,402	28.15	0.75E	0.85	1.0	21.2
166	**Banca Commerciale Italiana**/banking	9,092	398	92,616	3,819	3.74	0.38	0.37	4.1	20.9

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Italy

P/E 16 • Yield 3% • Market value $161 billion • Year to date price change 17%

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS		Yield (%)	Employees (thou)
							1990 ($)	1991E ($)		
209	■**Pirelli SpA**/industrial comp	7,973	190	10,112	1,411	1.44	0.13E	0.11	3.8	67.2
220	**Olivetti Group**/data processing	7,542	50	12,427	1,677	2.94	0.08	0.09	0.0	53.7
251	**Credito Italiano SpA**/banking	6,706	282	80,565	3,207	2.09	0.18	0.17	3.2	16.4
299	**Banco di Roma**/banking	5,634	90	66,406	2,719	2.27	0.11E	0.11	1.7	14.0
371	**Alitalia**/airlines	4,582	–82	3,318[1]	571	0.61	–0.08	NA	0.0	29.2
383	**SME**/food, household	4,446	NA	2,345[1]	1,144	2.62	0.17E	0.16	3.3	20.0

Japan

P/E 37 • Yield 1% • Market value $3,044 billion • Year to date price change 12%

Through the first five months of the year, Japanese stocks were up 11% in dollar terms, but that left them almost one-third off their December 1989 highs. Then, in mid-June, Japan's market declined sharply when confidence was shaken by news that Nomura Securities and other Japanese brokerage houses may in effect be manipulating the market by compensating some of their larger clients for losses. Even after the sharp pullback, from a value standpoint the Tokyo market is still expensive. At 37, its price/earnings ratio is the second highest (after Denmark's); Japanese stocks offer the lowest dividend yield and sell for the highest price-to-book ratio among the 24 international stock markets covered by Morgan Stanley.

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS		Yield (%)	Employees (thou)
							1990 ($)	1991E ($)		
1	■**C Itoh & Co Ltd**/trading	150,789	223	58,344	7,155	5.02	0.18E	0.19	0.9	7.1[2]
2	●**Mitsui & Co Ltd**/trading	147,437	290	61,170[1]	8,917	5.78	0.19	0.22	0.9	11.7
3	**Sumitomo Corp**/trading	141,695	333	42,398	8,461	7.96	0.31	0.39	0.7	14.2
4	■**Mitsubishi Corp**/trading	139,626	462	84,613	14,246	9.11	0.29	0.35	0.6	33.0
5	■**Marubeni Corp**/trading	138,480	242	66,978	7,049	4.73	0.16	0.09	0.9	9.9
7	**Nissho Iwai Corp**/trading	95,711[1]	82[1]	32,424[1]	3,459	4.41	0.12E	0.13	0.8	7.4
8	■**Toyota Motor Corp**/automobiles	62,485	3,000	55,141	43,967	13.02	0.89	0.82	1.1	96.8
10	●**Hitachi Ltd**/elec & electron	54,763	1,629	60,469	27,705	8.46	0.50	0.50	0.9	309.8
12	**Tomen Corp**/trading	49,585[1]	59[1]	13,715[1]	2,639	3.94	0.10E	0.11	1.0	3.4[2]
14	●**Matsushita Electric Indl**/appliances	46,708	1,833	49,943[1]	25,439	12.15	0.88	0.84	0.6	210.8
15	**Nichimen Corp**/trading	46,588	61	16,658	1,684	3.98	0.14	0.16	1.1	5.3
16	**Nippon Tel & Tel**/telecomm	44,249	1,671	80,751	102,712	659.68	10.71	9.76	0.6	277.9
17	**Kanematsu Corp**/trading	43,141	79	13,149	1,414	5.55	0.31	0.33	0.8	2.7[2]
18	■**Nissan Motor Co Ltd**/automobiles	42,220	346	45,786	13,588	5.41	0.14	0.24	1.9	138.3
24	■**Sumitomo Bank Ltd**/banking	34,824	1,023	372,401[1]	56,338	17.94	0.33	0.33	0.3	16.5[2]
25	■**Dai-Ichi Kangyo Bank**/banking	34,753	648	408,025[1]	57,326	18.37	0.21	0.28	0.3	18.5[2]
28	**Toshiba Corp**/elec & electron	33,232	855	32,958[1]	18,182	5.67	0.25	0.29	1.3	156.0
30	■**Sanwa Bank Ltd**/banking	31,739	800	401,465	49,900	17.22	0.28	0.34	0.4	13.9
31	■**Mitsui Taiyo Kobe**/banking	31,568	609	434,608	48,650	14.68	0.20	0.20	0.4	22.9
33	■**Fuji Bank Ltd**/banking	31,144	722	366,745[1]	58,633	20.25	0.25	0.27	0.3	14.7[2]
34	**Tokyo Electric Power Co**[2]/utilities	31,028	418	78,638	37,496	27.99	0.31	0.39	1.3	39.6
36	●**Honda Motor Co Ltd**/automobiles	30,447	540	20,946	9,498	9.77	0.56	0.45	1.0	85.5
43	●**Mitsubishi Bank Ltd**[3]/banking	26,670[1]	969[1]	354,972[1]	58,027	20.18	0.28E	0.31	0.3	14.5[2]
45	●**NEC Corp**/elec & electron	26,182	385	23,435[1]	16,691	10.85	0.25	0.38	0.6	114.6
47	●**Sony Corp**/appliances	25,598	828	32,642	15,430	45.57	2.44	2.45	0.8	112.9

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Japan

P/E 37 • Yield 1% • Market value $3,044 billion • Year to date price change 12%

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
51	■**Mitsubishi Electric Corp**/elec & electron	23,471	565	23,532	11,703	5.47	0.24	0.27	1.3	97.0
54	■**Indl Bank of Japan**/banking	22,643	467	259,860[1]	64,123	27.27	0.20	0.25	0.2	5.1[2]
58	■**Fujitsu Ltd**/data processing	21,029	585	18,899[1]	14,811	8.17	0.32	0.39	0.8	115.0
59	**Nippon Steel Corp**/metals-steel	20,816[1]	819[1]	26,724[1]	23,170	3.36	0.10E	0.09	1.3	55.3[2]
60	■**Bank of Tokyo Ltd**/banking	20,314	347	202,854[1]	20,444	10.20	0.17	0.20	0.6	17.0
61	**Mitsubishi Motors**/automobiles	19,805	183	11,266[1]	4,904	5.74	0.21	0.19	0.8	25.3[2]
63	**Mazda Motor Corp**/automobiles	19,210	189	8,796[1]	4,668	4.34	0.18	0.15	1.3	29.0[2]
64	■**Tokai Bank Ltd**/banking	18,969	310	230,358[1]	26,080	12.88	0.21E	0.25	0.5	11.8[2]
67	**Mitsubishi Heavy Inds**/machinery & eng	18,191	686	21,864[1]	18,194	5.41	0.20	0.23	1.1	55.8
69	**Long-Term Credit Bk**/banking	17,773	264	187,242[1]	29,767	12.44	0.11	0.19	0.5	3.6[2]
74	■**Kyowa Saitama Bank Ltd**/banking	17,058E	NA	NA	21,809	9.40	0.18E	0.20	0.5	16.2[2]
79	■**Daiei Inc**/retailing	16,016	67	7,484[1]	3,829	9.84	0.17	0.19	1.2	17.0[2]
80	**Kansai Electric**[2]/utilities	15,890	398	41,163	20,605	21.27	0.41	0.35	1.7	24.8
88	**Nippon Oil Co Ltd**/energy	14,611[1]	164[1]	13,982[1]	9,394	7.67	0.16E	0.17	0.6	9.6
99	**Toyota Tsusho Corp**/trading	13,382[1]	60[1]	5,547[1]	1,705	6.76	0.23E	0.24	0.8	1.8[2]
103	**Chubu Electric Power**[2]/utilities	12,946	217	27,131[1]	15,801	21.41	0.29	0.28	1.7	20.4
104	●**Ito-Yokado Co Ltd**/retailing	12,836	485	7,743	12,901	31.47	1.19	1.24	0.5	31.1
106	■**Sumitomo Metal Ind**/metals-steel	12,638[1]	273[1]	14,135[1]	10,809	3.58	0.12E	0.10	1.2	28.0
110	■**Bridgestone Corp**/industrial comp	12,322	31	13,013	5,914	7.67	0.04	0.07	1.4	95.3
113	**Kawasho Corp**[2]/trading	11.976	18	4,998[1]	627	5.21	0.15	0.15	0.8	2.3
114	●**Canon Inc**/leisure goods	11,934	424	13,601	8,164	10.92	0.57	0.62	0.8	54.4
116	■**Taisei Corp**/construction	11,693[1]	144[1]	14,256[1]	7,260	7.13	0.22E	0.29	1.1	12.1[2]
117	**Showa Shell Sekiyu**/energy	11,626	70	6,700	3,062	11.21	0.26	0.37	0.4	2.3[2]
124	■**Kajima Corp**/construction	11,062[1]	200[1]	14,192[1]	10,813	11.28	0.34E	0.47	0.7	13.2[2]
125	**Shimizu Corp**/construction	10,943[1]	193[1]	14,218[1]	8,261	10.49	0.40E	0.50	0.6	10.9[2]
126	**Sumitomo Trust & Bk**/financial svcs	10,826[1]	494[1]	109,947[1]	15,558	12.51	0.27E	0.28	0.5	7.1[2]
127	**Nippon Express Co**/trucking, RR	10,759	128	5,943[1]	6,962	6.49	0.12	0.13	0.7	51.5[2]
129	**Cosmo Oil Co Ltd**/energy	10,712[1]	67[1]	9,183[1]	3,410	6.02	0.14E	0.15	0.6	3.5[2]
130	■**Mitsubishi Trust**/financial svcs	10,711[1]	491[1]	130,883[1]	18,461	14.18	0.27E	0.28	0.4	6.5[2]
135	■**Sharp Corp**/appliances	10,590	332	12,930[1]	12,227	11.50	0.31	0.35	0.7	34.0
137	■**Nippondenso Co Ltd**/industrial comp	10,440	436	10,392	10,254	12.30	0.52	0.52	0.8	53.6
139	■**Isuzu Motors Ltd**/machinery & eng	10,352	–53	8,846	3,840	3.73	–0.05	–0.22	1.0	13.4[2]
141	**Nippon Credit Bank**/banking	10,292	156	115,200[1]	13,431	77.40	0.90	1.52	0.6	2.5[2]
142	■**NKK Corp**/metals-steel	10,152[1]	274[1]	17,805[1]	10,730	3.05	0.07E	0.06	1.2	29.3
143	**Daiwa Bank Ltd**[2]/banking	10,132	248	124,823	13,897	9.33	0.17E	0.18	0.5	9.3
144	■**Sanyo Electric Co**/appliances	10,106	120	14,986	8,307	4.30	0.06	0.07	1.4	55.1
151	■**Kumagai Gumi Co Ltd**/construction	9,732	78	15,766	4,058	5.97	0.16	0.17	1.1	8.6[2]
153	■**Jusco Co Ltd**/retailing	9,586[1]	109[1]	5,567[1]	3,633	11.79	0.34E	0.39	1.2	23.3
161	**Kobe Steel Ltd**/metals-steel	9,284[1]	163[1]	13,238[1]	11,075	3.91	0.06E	0.06	1.1	22.1[2]
162	■**Asahi Chemical Inds**/chemicals	9,202	302	7,631[1]	7,779	5.71	0.22	0.20	1.1	25.9
169	**Seiyu Ltd**/retailing	9,011	78	8,877[1]	2,811	13.82	0.38	0.43	0.8	11.3[2]
176	**Mitsui Real Estate**/real estate	8,897	293	18,734[1]	8,402	10.49	0.37	0.43	0.6	8.9
178	■**Japan Air Lines**/airlines	8,787[1]	124[1]	10,538[1]	14,216	8.39	0.07E	0.10	0.4	21.4[2]
181	**Suzuki Motor Corp**/automobiles	8,565	113	4,490[1]	2,133	5.14	0.14E	0.15	1.1	13.1[2]
182	■**Asahi Glass Co Ltd**/misc materials	8,522	324	9,793	11,642	9.98	0.28	0.31	0.7	9.5[2]
184	■**Kawasaki Steel Corp**/metals-steel	8,500[1]	391[1]	11,978[1]	10,349	3.18	0.10E	0.09	1.4	18.4[2]
186	**Mitsui Trust & Bank**/financial svcs	8,462[1]	454[1]	185,734[1]	13,519	11.28	0.21E	0.22	0.6	6.7[2]
187	■**Nomura Securities Co Ltd**/financial svcs	8,411[1]	1,933[1]	39,188[1]	30,777	15.70	0.46E	0.56	0.7	16.0

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Japan

P/E 37 • Yield 1% • Market value $3,044 billion • Year to date price change 12%

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
188	**Nichii Co Ltd**/retailing	8,349	81	7,246	3,195	11.65	0.26	0.39	1.2	19.5
190	■**Dai Nippon Printing**/services	8,281	307	7,099[1]	8,723	11.65	0.39	0.46	0.8	23.8
191	**Kyushu Electric[2]**/utilities	8,274	234	19,332[1]	9,495	20.25	0.50	0.46	1.8	14.3
195	**Tohoku Electric[2]**/utilities	8,196	255	14,593[1]	10,294	20.69	0.51	0.50	1.8	13.7
197	**Obayashi Corp**/construction	8,115[1]	157[1]	10,413[1]	6,034	8.10	0.29E	0.38	0.6	11.2[2]
201	■**Mitsubishi Kasei Corp**/chemicals	8,083[1]	167[1]	9,385[1]	6,596	4.26	0.08E	0.08	1.0	9.0[2]
212	■**Sumitomo Electric**/industrial comp	7,857	224	7,415	7,567	10.71	0.32	0.37	0.6	32.9
217	**Taiyo Fishery Co Ltd**/food, household	7,624	–41	3,277	1,072	3.57	–0.14	–0.10	0.6	12.4
218	■**Sekisui House Ltd**/construction	7,577	306	7,692[1]	6,678	10.85	0.50	0.62	1.2	11.0
222	■**Yasuda Trust & Bank**/financial svcs	7,471[1]	353[1]	87,459[1]	14,121	12.80	0.22E	0.24	0.5	5.9[2]
225	**Sumitomo Chemical Co Ltd**/chemicals	7,379	158	8,216[1]	6,158	3.80	0.10	0.11	1.1	14.5
227	**Takashimaya Co Ltd**/retailing	7,308[1]	116[1]	3,911[1]	3,435	15.55	0.77E	0.54	0.5	14.1
228	■**Fuji Photo Film**/leisure goods	7,252	615	11,824	11,456	24.59	1.32	1.50	0.4	21.9
232	●**Tokio Marine & Fire Ins**/insurance	7,121	262	32,327	15,085	9.77	0.17	0.19	0.6	13.0
233	**Nippon Mining Co Ltd**/energy	7,114[1]	18[1]	6,454[1]	4,063	4.50	0.05E	0.08	0.8	5.7[2]
234	●**Ricoh Co Ltd**/data processing	7,101	96	8,444	3,605	5.53	0.15	0.15	1.3	45.0
235	■**Matsushita Elec Work**/elec & electron	7,084	228	7,542	7,738	11.86	0.35	0.43	0.7	23.6
236	■**Mitsukoshi**/retailing	7,081[1]	51[1]	2,715[1]	4,418	9.19	0.08E	0.13	0.5	11.7[2]
242	■**Daiwa Securities Co**/financial svcs	6,843[1]	1,148[1]	34,124[1]	13,199	9.84	0.41E	0.50	1.0	10.3
243	■**Toppan Printing Co**/services	6,833[1]	232[1]	5,902[1]	6,943	10.78	0.38E	0.40	0.7	15.2
246	**Snow Brand Milk Prods**/food, household	6,784[1]	46[1]	2,684[1]	1,692	6.00	0.17E	0.18	0.8	8.0[2]
257	■**Toray Industries**/chemicals	6,492	266	6,724[1]	6,642	4.77	0.19	0.15	1.1	25.3
258	**Kawasaki Heavy Inds**/machinery & eng	6,441[1]	88[1]	6,434[1]	5,969	4.49	0.07E	0.08	0.8	17.2[2]
261	**Chugoku Electric[2]**/utilities	6,353	153	13,626[1]	6,920	19.02	0.42	0.47	1.9	11.2
265	●**Kubota Corp**/machinery & eng	6,320	51	6,295[1]	7,723	5.48	0.04	0.05	0.7	15.7[2]
269	●**Komatsu Ltd**/machinery & eng	6,210[1]	191[1]	7,828[1]	6,413	6.40	0.22E	0.23	0.9	23.8
271	**Daihatsu Motor Co**/automobiles	6,174	51	4,170	1,878	4.41	0.12	0.10	1.0	19.8
273	**Itoman Corp**/trading	6,144[1]	53[1]	9,589[1]	910	4.34	–0.25E	–0.03	0.0	1.4[2]
283	**Fuji Electric Co Ltd**/elec & electron	5,933	157	4,960[1]	4,726	6.66	0.22	0.17	0.9	13.5[2]
286	■**Fuji Heavy Inds**/automobiles	5,799	–615	5,262[1]	2,180	3.73	–1.05	–0.47	0.4	15.8[2]
290	**Daimaru**/retailing	5,759[1]	29[1]	2,857[1]	1,837	6.79	0.13E	0.14	0.5	7.2[2]
294	**Toyo Trust & Banking Co**/financial svcs	5,687[1]	302[1]	57,240[1]	10,403	13.24	0.20E	0.23	0.5	5.3[2]
295	■**All Nippon Airways**/airlines	5,686	81	8,574	14,401	9.98	0.06	0.08	0.4	15.7
296	**Hokkaido Takushoku**/banking	5,684	144	71,926[1]	6,666	7.16	0.13E	0.15	0.7	6.4[2]
297	**Ishikawajima-Harima**/machinery & eng	5,643[1]	99[1]	7,635[1]	6,941	5.35	0.09E	0.10	0.7	15.4[2]
301	**Dainippon Ink & Chem**/chemicals	5,622[1]	57[1]	5,522[1]	3,139	3.99	0.06E	0.06	1.1	22.3
304	**Tonen Corp**/energy	5,586	138	5,774	7,904	12.22	0.21	0.29	1.5	2.3[2]
307	**Mitsubishi Materials Corp**/metals nonfer	5,525[1]	106[1]	5,271[1]	5,828	5.35	0.25E	0.18	0.8	7.2[2]
308	**Mitsubishi Oil Co**/energy	5,524[1]	35[1]	4,630[1]	2,872	8.32	0.23E	0.24	0.5	2.3[2]
313	**Toshoku Ltd**/trading	5,419	19	5,921	1,213	10.27	0.17	0.17	0.4	0.6[2]
315	**Hanwa Co Ltd**/retailing	5,405[1]	154[1]	36,495[1]	7,006	18.52	0.42E	0.42	0.5	1.2[2]
316	**Yasuda Fire & Marine Ins[2]**/insurance	5,394[1]	116[1]	20,149[1]	6,158	6.94	0.13E	0.14	0.7	10.0
318	■**Furukawa Electric**/industrial comp	5,363[1]	53[1]	4,594[1]	3,855	5.88	0.14E	0.16	0.7	7.3[2]
324	■**Nippon Yusen Kaisha Line**/shipping	5,286[1]	74[1]	7,278[1]	5,222	4.55	0.05E	0.06	0.6	1.9[2]
325	■**Bank of Yokohama Ltd[2]**/banking	5,262[1]	143[1]	82,056[1]	10,358	9.11	0.14E	0.17	0.4	6.4
327	**Tokyo Gas Co Ltd**/utilities	5,230[1]	188[1]	7,271[1]	12,805	4.56	0.04E	0.06	0.8	12.7[2]
328	■**Kirin Brewery Co Ltd**/bev & tobacco	5,212	292	9,572	11,430	10.85	0.28	0.32	0.5	7.7[2]
329	**Chori Co Ltd**/trading	5,170[1]	14[1]	3,045[1]	602	6.98	0.17E	0.19	0.5	1.5[2]

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Japan

P/E 37 • Yield 1% • Market value $3,044 billion • Year to date price change 12%

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
334	**Nikko Securities Co Ltd**/financial svcs	5,080[1]	910[1]	21,237[1]	11,136	7.60	0.20E	0.22	1.3	10.5[2]
336	**Daikyo[2]**/real estate	4,997	123	9,211[1]	2,574	13.89	0.66	0.78	1.6	2.6
337	**Sekisui Chemical Ltd**/bldg materials	4,978[1]	211[1]	5,770[1]	4,662	8.68	0.44E	0.48	0.6	5.6[2]
341	**Toyo Seikan Kaisha**/misc materials	4,936[1]	216[1]	3,602[1]	5,472	27.13	1.46E	1.57	0.2	6.4[2]
343	**Yamaha Motor Co Ltd**/leisure goods	4,903	92	3,468[1]	1,480	6.43	0.40	0.22	0.7	9.9
345	**Takeda Chemical Ind**/personal care	4,894	315	6,061[1]	10,292	11.79	0.33E	0.36	0.7	15.1
350	■**Fujita Corp**/construction	4,831[1]	86[1]	7,716[1]	4,145	8.39	0.22E	0.26	0.8	5.6[2]
352	**Aisin Seiki Co Ltd**/industrial comp	4,803[1]	99[1]	2,845[1]	2,303	8.39	0.38E	0.35	1.0	10.4[2]
354	**Yamaichi Securities Co**/financial svcs	4,776[1]	763[1]	21,031[1]	9,175	7.60	0.20E	0.22	1.3	9.9[2]
356	■**Oji Paper Co Ltd**/forest products	4,741	122	4,747[1]	3,850	6.33	0.20	0.22	1.0	6.0[2]
357	■**Daiwa House Ind**/construction	4,705[1]	223[1]	6,122[1]	6,810	14.39	0.67E	0.76	1.0	8.5
359	■**Kao Corp**/food, household	4,686	142	3,644[1]	5,066	9.33	0.26	0.30	0.6	6.7[2]
360	**Oki Electric**/elec & electron	4,678	70	4,485[1]	3,157	5.19	0.12	0.15	1.0	14.4[2]
361	**Nippon Meat Packers**/food, household	4,677[1]	62[1]	2,724[1]	2,476	12.01	0.37E	0.40	0.7	17.5
362	■**Hino Motors[2]**/machinery & eng	4,651	89	2,593	2,552	7.13	0.25	0.20	0.8	8.2
369	■**Kanebo Ltd**/textile, apparel	4,594[1]	9[1]	4,121[1]	2,137	4.30	0.02E	0.03	0.8	10.7[2]
379	**Uny Co Ltd**/retailing	4,477[1]	64[1]	2,953[1]	2,025	10.71	0.43E	0.45	1.2	14.0
385	**Ube Industries Ltd**/misc materials	4,376[1]	148[1]	5,365[1]	3,523	4.23	0.07E	0.07	0.9	7.3[2]
387	**Showa Denko KK**/chemicals	4,354	59	6,051	3,896	3.75	0.06	0.05	1.2	5.3[2]
389	■**Teijin Ltd**/chemicals	4,339	185	5,714[1]	4,113	4.25	0.19	0.18	1.2	5.7[2]
395	●**Pioneer Electronic**/appliances	4,245	243	3,462	5,170	28.79	1.35	1.41	0.6	13.9
397	■**Ajinomoto Co**/food, household	4,204	86	5,188	7,362	11.36	0.13	0.18	0.6	10.9
399	**Osaka Gas Co Ltd**/utilities	4,187[1]	148[1]	5,992[1]	9,574	3.79	0.05E	0.06	1.0	10.8[2]
402	■**Marui**/retailing	4,174	239	5,888	5,730	15.62	0.65	0.71	1.0	10.0[2]
403	■**Sumitomo Metal Mining**/metals nonfer	4,166[1]	134[1]	3,652[1]	4,704	9.40	0.25E	0.26	0.5	3.8[2]
405	**Toyoda Automatic Loom[2]**/machinery & eng	4,131	130	2,719	5,703	20.25	0.46	0.46	0.5	7.9
406	**Hazama Corp**/construction	4,127	57	5,027	2,288	7.13	0.22	0.26	0.8	5.1[2]
407	**Toda Corp[2]**/construction	4,115[1]	85[1]	4,578[1]	1,720	6.60	0.39E	0.47	0.0	5.4
409	**Tokyu Construction**/construction	4,035E	46E	3,876[1]	1,456	7.45	0.24E	0.31	1.1	4.3[2]
410	**Nippon Light Metal**/metals nonfer	4,033[1]	85[1]	3,504[1]	3,641	7.09	0.50E	0.22	0.5	4.5[2]
416	**Haseko Corp**/construction	3,935	103	7,367[1]	2,904	6.77	0.24	0.28	1.1	2.9[2]
421	**Shinsho Corp[2]**/trading	3,891[1]	6[1]	1,834[1]	426	5.43	0.09E	0.10	0.7	1.0
424	■**Toyobo Co Ltd**/textile, apparel	3,876	50	3,573[1]	2,839	4.11	0.07	0.07	0.9	8.1[2]
425	**Matsuzakaya**/retailing	3,876	113	1,589[1]	3,910	25.17	0.73	0.34	0.2	7.1[2]
427	**Sato Kogyo Co Ltd**/construction	3,865E	36E	3,689[1]	2,648	10.13	NA	0.18	0.0	5.1[2]
428	**Jujo Paper Co Ltd**/forest products	3,858[1]	108[1]	4,158[1]	2,466	5.03	0.15E	0.16	1.0	4.5[2]
430	●**TDK**/electronic comp	3,822	202	4,591	5,261	40.65	1.56	1.73	0.8	25.2
431	**Nagase & Co Ltd**/trading	3,820[1]	51[1]	2,070[1]	1,270	8.39	0.38E	0.41	0.8	1.3[2]
435	**Sumitomo Rubber Inds**/industrial comp	3,771	9	3,750	968	5.79	0.05	0.02	1.1	21.0
448	■**Shiseido**/personal care	3,661	112	3,734[1]	4,257	13.67	0.40	0.47	0.6	19.1
451	**Sumitomo Forestry Co Ltd**/construction	3,617[1]	62[1]	1,974[1]	1,853	12.66	0.47E	0.54	0.9	2.8[2]
453	**Nichirei**/food, household	3,609	20	1,793[1]	1,984	6.42	0.07	0.11	0.7	2.7[2]
455	**Asahi Breweries Ltd**/bev & tobacco	3,604	21	13,586	4,256	10.27	0.05	0.14	0.4	6.9
456	**Yamaha Corp**/leisure goods	3,604	54	3,009[1]	2,465	12.73	0.28	0.25	0.6	12.4[2]
461	**Okura & Co Ltd**/trading	3,564[1]	4[1]	1,478[1]	563	6.55	0.12E	0.12	1.4	0.8[2]
462	■**Nippon Suisan Kaisha**/food, household	3,557[1]	7[1]	1,963[1]	1,206	4.07	–0.07E	–0.04	0.0	3.3[2]
465	■**Konica**/leisure goods	3,510	7	3,450	2,765	7.74	0.06E	0.07	0.9	5.0[2]
466	**Mitsui Toatsu Chems**/chemicals	3,501[1]	113[1]	4,580[1]	2,984	3.82	0.12E	0.12	1.1	5.5[2]

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Japan

P/E 37 ● Yield 1% ● Market value $3,044 billion ● Year to date price change 12%

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
474	**Isetan**/retailing	3,394[1]	59[1]	2,456[1]	4,679	21.27	0.30E	0.32	0.3	5.7[2]
475	**Hokkaido Electric[2]**/utilities	3,387	97	8,569[1]	4,073	18.88	0.45	0.53	1.9	6.6
476	**Iwatani Intl Corp**/utilities	3,382[1]	22[1]	2,280[1]	1,765	7.31	0.11E	0.12	0.5	1.7[2]
478	**Mitsui OSK Lines Ltd**/shipping	3,368[1]	97[1]	5,225[1]	4,705	4.49	0.04E	0.05	0.7	1.7[2]
480	**Nissan Shatai Co Ltd[2]**/automobiles	3,352[1]	19[1]	1,202[1]	831	5.29	0.14E	0.11	1.2	5.6
481	●**Nintendo Co Ltd**/leisure goods	3,337	487	2,180[1]	14,551	102.71	3.44	3.95	0.3	0.7[2]
482	**Sanyo-Kokusaku Pulp**/forest products	3,312[1]	77[1]	3,214[1]	2,109	4.69	0.08E	0.08	1.2	7.7
483	**General Sekiyu Group**/energy	3,305[1]	81[1]	2,076[1]	1,703	8.39	0.33E	0.30	3.0	1.6[2]
485	**Sumitomo Heavy Inds**/machinery & eng	3,291	43	4,513	3,236	5.50	0.07	0.08	0.5	11.3
486	■**Alps Electric**/electronic comp	3,272	58	2,706[1]	2,060	11.50	0.03	0.30	0.9	14.6
487	■**Mitsui Marine & Fire Ins[3]**/insurance	3,267[1]	257[1]	23,322[1]	5,298	7.31	0.16E	0.17	0.7	7.1[2]
488	●**Kyocera[3]**/electronic comp	3,265	228	4,142[1]	8,606	46.44	1.23	1.51	0.7	12.8[2]
490	**Nagasakiya**/retailing	3,250[1]	32[1]	2,737[1]	2,465	16.85	0.12E	0.14	0.5	4.8[2]
492	■**Nisshin Steel**/metals-steel	3,214[1]	235[1]	5,990[1]	5,632	5.54	0.18E	0.18	0.9	7.1[2]
493	**Tokyu Dept Store**/retailing	3,213[1]	42[1]	2,285[1]	2,604	13.17	0.13E	0.20	0.6	4.6[2]
494	**Itoham Foods**/food, household	3,209	55	1,398[1]	1,555	6.82	0.24	0.20	1.1	4.4[2]
497	■**Yamazaki Baking**/food, household	3,193	71	2,110	2,820	12.80	0.32	0.37	0.6	14.7[2]
499	**Kawasaki Kisen Kaisha Ltd**/shipping	3,183[1]	19[1]	2,933[1]	2,435	4.16	0.03E	0.02	0.0	1.2[2]

Netherlands

P/E 18 ● Yield 4% ● Market value $119 billion ● Year to date price change 21%

The Amsterdam bourse was not helped when well-known companies such as DAF and Nedlloyd reported disappointing earnings, nor when Philips Group racked up over $2 billion in losses. After a record 4.3% rise in GDP in 1989, the Netherlands' growth slowed to 3.5% last year, in part because of rising interest rates and decreased domestic and foreign demand. In U.S. dollars, the Morgan Stanley stock index for the Netherlands is up only 1% for the 12 months ending in May. But these setbacks have, apparently, attracted bargain hunters: American investors traded over $7.9 billion in Dutch stocks in 1990. Issues such as Aegon Insurance, Hoogovens Groep and NV DSM currently yield over 4%, while selling at less than 7 times 1990 earnings.

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
6	●**Royal Dutch/Shell**/energy	105,255	6,458	106,368	72,332[4]	81.39	7.69	6.88	4.9	137.0
21	●**Unilever**/food, household	39,604	1,980	24,737	23,876[5]	83.78	5.82	6.90	3.2	301.0
35	●**Philips Group[3]**/appliances	30,624	–2,616	30,530	4,783	16.09	–8.40	0.86	0.0	287.6
109	**Nationale-Nederlanden**/insurance	12,331	497	56,920	6,131	26.59	3.75	NA	5.9	25.7
154	●**Akzo Group**/chemicals	9,471	364	8,095	2,577	58.01	8.20	7.59	5.7	70.5
160	●**Ahold**/retailing	9,292	134	2,529	2,010	41.66	2.77	2.88	2.0	53.4
206	**Fortis Group**/insurance	7,998	499	38,347	3,441[6]	28.88	4.36	3.49	5.0	20.0
254	●**Aegon Insurance**/insurance	6,616	411	35,778	2,603	61.78	9.76	8.03	5.9	10.4
305	**NV DSM**/chemicals	5,582	446	5,964	2,014	57.35	12.70	9.76	7.1	24.9
311	**ABN-Amro Holding NV**/banking	5,511	728	232,694	5,015	19.66	2.77	2.75	7.5	59.6
322	**Schlumberger Ltd**/energy	5,306	570	6,176	14,883	62.50	2.40	2.90	1.9	50.0
374	■**Hoogovens Groep**/metals-steel	4,489	163	5,500	696	31.22	7.34	2.37	7.2	27.4
420	■**Heineken NV**/bev & tobacco	3,895	201	4,428	2,638	82.15	6.26	6.44	2.2	25.0
443	**KLM**/airlines	3,691	–199	6,406[1]	740	14.01	1.66	–1.65	6.6	27.1
444	■**Royal Nedlloyd Group**/shipping	3,677	–77	3,367	531	27.66	–4.24	–1.21	0.0	26.2

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Spain

P/E 12 • Yield 4% • Market value $123 billion • Year to date price change 30%

Spain's stock market, recently the darling of international investors, was hit hard by the Persian Gulf war. Juan Echanojauregui, director of capital markets at Banco Popular Espanol, explains that relatively small markets (Spain's total market capitalization is only $123 billion) are supersensitive to external events like wars. But since the end of the war, Spain has made a nice recovery. Echanojauregui thinks that stock prices could rise another 10% to 15% by the end of the year, thanks to speculation about interest rate cuts and improving corporate earnings. Two of Spain's largest banks—Banco Central and Banco Hispano Americano—and two large Spanish utilities have merger agreements that are expected to be consummated by summer's end.

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
77	•**Banco Central Group**/banking	16,206	411	49,872	4,440	41.26	3.85E	3.86	4.5	23.4
83	•**Repsol SA**/energy	15,422	665	8,917[1]	7,344	24.48	2.22	2.30	3.6	19.2
133	•**Banco Bilbao-Vizcaya**/banking	10,633	994	87,015	7,368	31.90	4.10	4.27	4.6	30.4
196	•**Telefonica**[3]/telecomm	8,166	1,619	31,019	8,724	9.41	1.75	0.81	5.4	75.4
256	•**Banco Santander**/banking	6,499	551	55,169	5,784	52.11	4.98	5.36	3.8	18.8
274	**Banesto**/banking	6,095	372	51,650	3,754	38.02	3.77	3.74	4.9	20.5
293	**Tabacalera**/bev & tobacco	5,700	NA	1,534[1]	1,704	46.27	3.25E	3.51	2.5	8.5
332	**Banco Hispano Amer**/banking	5,157	320	41,237	2,907	31.80	3.50	3.60	5.8	16.9
366	**Endesa**/utilities	4,638[1]	604[1]	12,459[1]	5,569	21.42	2.59	3.17	4.7	15.8
392	**Fasa-Renault**/automobiles	4,278	10	43,673	458	20.12	0.62E	1.18	4.6	15.0
404	**Cepsa**/energy	4,137	71	3,285	1,923	21.56	1.54E	1.35	3.4	7.1
491	**Hidroelectrica Espanola**/utilities	3,247	186	13,553[1]	2,233	5.34	0.45	0.44	7.6	6.7
496	**Banco Exterior de Espana**/banking	3,201	136	26,368	2,052	33.52	2.14	2.50	3.9	11.4

Sweden

P/E 17 • Yield 3% • Market value $112 billion • Year to date price change 33%

The recession in the Swedish economy became increasingly apparent during 1990. The country is experiencing high interest rates, high costs and growing inflation, while productivity growth is low. Real gross domestic product grew only 0.7% in 1990; the Consumer Price Index climbed 11%. Sales at Saab-Scania (in whose automotive division General Motors now has a large stake) fell almost 30% last year, while Volvo Group (which teamed up with Renault) had a net loss of $3.9 million. Meanwhile, net profit at Sweden's largest bank, Skandinaviska Enskilda Banken, fell 22%, to $280 million. Sweden is applying for full membership in the EC, and as of May 17 the Swedish krona became linked to the ECU (European Currency Unit).

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
93	•**Volvo Group**[3]/automobiles	14,054	–4	18,445	4,237	55.22	–2.21	2.03	4.5	72.2
96	•**Electrolux Group**[3]/appliances	13,928	139	11,943	3,036	41.78	1.89	2.03	4.8	150.9
136	**Stora Group**/forest products	10,537	450	14,803	3,484	58.42	4.11E	3.46	3.6	69.7
180	**Skand Enskilda Bank**/banking	8,643	280	79,560	2,994	11.37	1.06	1.54	4.6	10.7
189	■**Svenska Handelsbanken**/banking	8,328	336	64,172	3,076	20.17	3.43E	3.30	3.6	7.8
213	**Nordbanken Group**/banking	7,839	–36	72,118	1,637	9.52	–0.21	1.33	0.0	6.8
215	•**LM Ericsson**[3]/elec & electron	7,722	571	7,979	6,454	31.37	2.78	2.40	1.8	66.1
266	**Skanska AB**/construction	6,288	NA	8,835	3,739	60.18	4.22E	3.67	1.7	31.7
270	**Procordia Group**/multi-industry	6,178	464	5,817	7,784	31.37	1.83	1.91	1.5	45.2
326	**SCA-Svenska Cellulosa**/forest products	5,258	254	8,499	2,951	17.45	1.35E	1.18	2.9	30.1
342	**Saab-Scania Group**/machinery & eng	4,906	255	7,572	3,141	46.26	4.73	3.71	2.7	29.4
358	•**SKF Group**[3]/industrial comp	4,691	116	5,566	1,876	16.81	1.02	0.74	4.1	49.3
381	**Nobel Industries**/aero & defense	4,460	84	6,169	895	9.92	0.94	0.72	3.6	26.7
394	**Trelleborg**/industrial comp	4,260	289	4,711	1,348	22.09	4.43E	2.85	4.7	21.9
418	**NCC Group**/construction	3,913	76	4,663	621	14.41	1.76	1.35	3.3	23.2

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Switzerland

P/E 17 • Yield 2% • Market value $192 billion • Year to date price change 28%

Since it peaked in August 1989, the Morgan Stanley index of Swiss stocks has dropped 8% in Swiss francs but has gained 5% in U.S. dollars. Since Switzerland is a small and open economy, it is heavily dependent on the performance of its major trading partners. Of late, it has been hurt by sluggish world growth and a long period of high (by Swiss standards) interest rates at home. Unemployment rose to 1.1% of the work force in April, double the usual level; the cost of living rose at a 6.3% annual rate in May. In 1990 the gross domestic product grew at a 2.6% rate. Now the Union Bank of Switzerland estimates growth will be only 1.2% in 1991. Analyst Rolf Ehlers, of Credit Suisse, Zurich, thinks it is unlikely the Swiss economy will rebound this year.

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
27	■**Nestle**/food, household	33,379	1,636	27,461	21,863	6,019.55	444.15	456.08	2.2	199.0
42	**Asea Brown Boveri**[3]/elec & electron	26,704	280	31,406	11,295[4]	3,134.48	190.04	27.50	1.7	215.2
90	●**Ciba-Geigy Group**/chemicals	14,183	744	20,185	9,831	1,988.54	133.89	136.97	2.0	94.1
98	**Zurich Insurance**/insurance	13,586	278	43,752	5,596	3,269.30	145.41E	254.80	1.4	34.0
100	**Union Bank of Switz**/banking	13,150	646	180,612	11,585	2,534.55	139.65	202.29	3.6	27.5
108	**Swiss Bank Corp**/banking	12,456	591	148,926	7,442	230.54	16.79	21.30	4.1	21.6
145	**Winterthur Group**/insurance	9,972	170	33,018	3,635	2,763.73	107.98	204.45	1.7	19.0
155	**CS Holding**/banking	9,437	388	115,535	5,587	1,361.65	33.11	153.02	3.7	18.0
167	**Swiss Re Group**/insurance	9,041[1]	169[1]	26,673[1]	4,033	2,035.73	79.10E	97.00	1.5	21.4
175	**Sandoz Group**/personal care	8,903	696	9,896	11,710	1,698.69	97.90	104.08	1.2	52.6
239	**Roche Group**/personal care	6,961	682	17,613	15,138	5,257.84	164.85	182.54	0.5	52.7
264	**Danzas AG**/services	6,335[5]	10[2]	1,000[2]	491	923.49	15.41	NA	0.7	15.4
367	**Richemont AG**/bev & tobacco	4,627[1]	237[1]	6,663[1]	8,267	808.90	385.87	479.54	9.0	25.0
372	**Alusuisse-Lonza**/metals nonfer	4,560	192	4,611	1,635	785.31	89.26	83.32	3.0	25.5
377	**Sulzer Group**/machinery & eng	4,483	101	4,996[1]	932	276.37	33.34	NA	3.7	33.9
433	**Holderbank**/bldg materials	3,777	135	7,280	1,479	3,329.96	291.54	314.86	2.5	29.6
436	**Swissair Group**/airlines	3,763	−16	6,068	949	495.45	−7.42	12.74	0.0	19.9
442	**Baloise Holding**/insurance	3,702	54	15,299[1]	1,308	1,476.24	64.07	183.62	1.2	8.7

United Kingdom

P/E 14 • Yield 5% • Market value $891 billion • Year to date price change 17%

With 2,559 listed issues at the end of 1990, London's International Stock Exchange is second only to Nasdaq in the number of listings. By market value, London trails Japan and the U.S. The British market was one month ahead (May 4) of the U.S. in hitting a new high. The economic outlook is similar to the U.S.', in that a strong recovery could soon follow the current recession. Despite an easing of monetary policy, inflation in the U.K. dropped to a 6.4% annual rate in April, versus 8.2% in March. But political pressures might force the government to tighten credit again. Since January the pound sterling has performed well within the European exchange rate mechanism of the European Monetary System—it is up 2.3% against the deutsche mark.

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
9	●**British Petroleum Co**/energy	58,966	2,991	59,184	30,377	5.65	0.56	0.32	6.5	118.1
32	●**Barclays Plc**/banking	31,234	698	260,063	11,975	7.54	0.44	0.51	6.4	116.8
38	●**National Westminster Bank**[3]/banking	29,218	541	232,281	8,734	5.40	0.34	0.29	7.3	112.6
49	●**British Telecom**[3]/telecomm	24,307	3,372	33,997	39,730	6.47	0.54	0.61	4.9	237.4
53	●**Imperial Chemical Inds**/chemicals	23,034	1,101	20,821	15,554	21.97	1.57	1.24	5.7	132.1
65	**British Aerospace**/aero & defense	18,811	464	17,913	2,611	10.09	1.65	1.58	5.6	127.9
70	**Lloyds Bank Group**/banking	17,560	521	106,430	7,371	5.93	0.43	0.37	5.9	76.3

● Sponsored ADR. ■ Non-sponsored ADR. All figures except per-share items are in millions of U.S. dollars. General note: Revenue, net income and 1990 EPS are converted at an average rate of exchange for the fiscal year; assets are converted at fiscal year-end rate. Revenue figures are for group or consolidated operations and exclude excise taxes and duties. For companies with January, February or March fiscal year-ends, 1990 figures are used unless noted. Market value is as of May 31, 1991. [1] Figures are latest available. [2] Not fully consolidated. [3] U.S. GAAP. [4] Combined market value for Asea and Brown Boveri. Price, EPS and yield are only for Brown Boveri. [5] Includes sales taxes and VAT. E: Estimate. NA: Not available. *Sources: Morgan Stanley Capital International Perspective; FORBES. Earnings estimates provided by the International Edition of Institutional Brokers Estimate System (IBES).*

United Kingdom

P/E 14 ● Yield 5% ● Market value $891 billion ● Year to date price change 17%

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1990 ($)	EPS 1991E ($)	Yield (%)	Employees (thou)
72	●**British Gas Plc**/utilities	17,538	2,500	24,085[1]	18,350	4.30	0.59	0.53	6.6	81.8
78	**Midland Group**/banking	16,136	–344	114,979	2,864	3.65	–0.44	0.15	5.6	60.6
82	●**Prudential Corp Plc**/insurance	15,571	198	70,463	7,396	3.97	0.11	0.22	5.9	40.0
85	■**B. A. T Industries Plc**/bev & tobacco	15,284	634	48,140	17,646	11.97	0.43	0.88	6.0	110.8
86	■**J Sainsbury Plc**/retailing	15,154	656	5,510[1]	9,965	6.30	0.43	0.44	2.6	65.3
97	●**Grand Metropolitan**/multi-industry	13,760	1,074	17,648	13,031	13.14	1.09	1.10	3.7	131.3
112	●**BTR Plc**/multi-industry	12,033	987	11,161	11,411	6.55	0.57	0.51	5.4	105.6
118	■**Tesco Plc**/retailing	11,618	554	7,049	9,311	4.82	0.34	0.34	2.5	59.8
131	●**Marks & Spencer Plc**/retailing	10,662	737	5,673[1]	11,445	4.23	0.28	0.27	3.6	50.1
146	**Royal Insurance**/insurance	9,959	–312	30,677	3,620	7.44	–0.65	–0.22	8.4	29.0
165	●**British Airways Plc**[3]/airlines	9,123	253	7,329	2,108	2.92	0.35	0.17	6.9	54.4
172	●**Peninsular & Oriental**/shipping	8,989	330	9,302	4,002	9.63	0.76	0.68	7.2	75.0
173	●**Hanson Plc**/multi-industry	8,987	1,646	27,642	17,907	3.74	0.34	0.34	5.5	80.0
177	**Argyll Group Plc**/retailing	8,796	386	2,829[1]	5,534	5.03	0.40	0.41	3.9	65.0
185	■**General Electric**/elec & electron	8,496[1]	878[1]	9,776[1]	8,934	3.31	0.29E	0.34	6.8	107.4
192	●**British Steel Corp**/metals-steel	8,268[1]	912[1]	10,092[1]	4,314	2.16	0.18E	0.10	8.9	54.4
203	●**Allied-Lyons Plc**/bev & tobacco	8,064	533	11,659	7,965	9.25	0.70E	0.85	4.3	83.2
205	●**SmithKline Beecham**[3]/personal care	8,033	900	14,211	16,962	13.67	0.68	4.08	12.4	57.3
219	**Dalgety Plc**/food, household	7,547	133	2,061	1,466	6.54	0.59	0.61	6.3	22.7
221	●**Hillsdown Holdings**/food, household	7,523	244	4,092	2,137	4.02	0.46	0.44	4.5	47.5
224	**Sun Alliance Group**/insurance	7,428	–190	27,217	4,936	6.15	–0.24	–0.05	5.2	19.9[2]
226	●**Saatchi & Saatchi**[3]/services	7,378	–122	3,169	459	0.31	–0.21	–0.03	0.0	14.7
230	**Legal & General**/insurance	7,179	90	31,551	3,500	7.25	0.22	0.26	5.6	8.5
240	**Genl Accident Fire**/insurance	6,941	–166	17,755	3,984	9.20	–0.39	–0.20	6.6	15.4[2]
241	●**RTZ Corporation Plc**/metals nonfer	6,902	905	11,373	8,752	8.86	0.92	0.75	5.0	50.0
247	■**Ladbroke Group Plc**/leisure	6,783	409	9,047	3,797	4.42	0.48	0.41	5.5	52.0
248	●**Thorn Emi Plc**/appliances	6,763	NA	4,367[1]	3,728	12.02	1.00E	0.97	5.8	60.2
250	**Commercial Union Assurance**/insurance	6,725	2	30,346	3,624	8.37	0.01	–0.03	6.2	21.6
252	●**Royal Bk of Scotland**[3]/banking	6,648	309	57,386	2,428	3.14	0.39	0.26	6.1	25.8
255	●**Rolls-Royce Plc**/aero & defense	6,550	239	5,489	2,545	2.65	0.25	0.24	6.2	65.9
259	●**Tarmac Plc**/bldg materials	6,437	220	6,066	2,896	3.82	0.30	0.22	6.7	34.9
260	●**Bass Plc**[3]/bev & tobacco	6,379	893	9,315	7,183	16.83	2.54	1.56	4.5	98.3
263	**BICC Group**/industrial comp	6,345	196	3,891	2,052	7.44	0.72	0.61	5.9	44.4
275	**Guardian Royal Exch**/insurance	6,087	–264	20,900	2,957	3.43	–0.31	–0.10	7.9	15.2
284	**Inchcape Plc**/trading	5,874	171	3,124	2,106	5.62	0.47	0.48	4.7	49.7
288	■**Assoc British Foods**/food, household	5,775	388	4,084[1]	4,032	9.00	0.87	0.82	3.1	52.3
291	■**Tate & Lyle Group**/food, household	5,727	223	3,403	1,950	6.03	0.61	0.54	3.9	15.3
292	**Asda Group Plc**/retailing	5,722	198	4,432	2,311	1.97	0.16E	0.20	5.5	38.8
298	●**Kingfisher Plc**/retailing	5,636	342	3,911	3,716	8.18	0.76	0.56	3.4	36.6
302	●**Cadbury Schweppes**/food, household	5,615	320	4,555	4,304	6.11	0.45	0.46	4.3	35.7
312	■**Boots Co Plc**/retailing	5,467[1]	396[1]	4,010[1]	6,256	6.35	0.39E	0.44	4.0	78.6
320	■**Lonrho Group**/multi-industry	5,332	253	6,979	2,626	4.06	0.40	0.39	8.8	108.8
330	●**Trafalgar House Plc**/multi-industry	5,162	187	4,694	2,029	4.02	0.37	0.27	10.3	27.0
331	●**Booker Plc**/multi-industry	5,158	134	2,127	1,689	8.03	0.75	0.71	6.0	21.6
333	●**BET Plc**/multi-industry	5,157	290	3,537[1]	2,261	3.04	0.33E	0.29	9.9	137.1
344	**Pilkington Plc**/misc materials	4,896	29	5,141	2,155	2.80	0.16	0.14	8.5	56.1
351	**Standard Chartered**/banking	4,817	54	42,687	1,399	5.98	0.23	0.63	7.6	28.0
353	●**Cable & Wireless**[3]/telecomm	4,792	554	8,056	9,245	8.64	0.51	0.61	2.8	37.7

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United Kingdom P/E 14 • Yield 5% • Market value $891 billion • Year to date price change 17%

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS		Yield (%)	Employees (thou)
							1990 ($)	1991E ($)		
355	**Trusthouse Forte Plc**/leisure	4,776	268	9,047	3,585	4.55	0.34	0.29	4.9	92.9
363	●**Glaxo Holdings Plc**/personal care	4,648	1,291	7,603	29,793	19.92	0.87	0.97	2.7	31.3
365	**Arjo Wiggins Appleton**/forest products	4,638	310	4,030	3,331	4.13	0.38	0.37	4.6	19.0
368	**RMC Group Plc**/bldg materials	4,621	195	3,446	2,169	10.66	1.00	0.78	4.1	25.1
375	●**Guinness Plc**/bev & tobacco	4,485	966	12,696	14,610	16.22	1.14	1.16	2.6	18.6
378	■**BOC Group Plc**/chemicals	4,481	410	5,284	4,322	9.20	0.88	0.78	4.9	39.5
386	■**Great Universal Stores**/retailing	4,355[1]	441[1]	6,027[1]	5,195	20.89	1.81E	2.02	3.7	30.7
391	**United Biscuits**/food, household	4,291	233	2,935	2,795	6.11	0.53	0.49	5.3	39.1
401	■**De Beers Centenary**/misc materials	4,175	1,305	11,050	8,853	23.30	3.43	NA	4.3	25.0
413	**AMEC**/construction	3,959	75	2,052	748	3.74	0.33	0.31	6.1	30.4
415	■**Unigate Group**/food, household	3,945[1]	117[1]	1,565[1]	1,092	4.70	0.36E	0.44	7.4	31.3
419	■**Sears Plc**/retailing	3,906	207	3,764[1]	2,110	1.41	0.14	0.09	8.6	52.3
422	■**Hawker Siddeley**/machinery & eng	3,887	145	3,562	1,886	9.53	0.73	0.73	5.9	43.5
429	●**Racal Electronics**/aero & defense	3,852	201	3,238[1]	5,067	3.89	0.16	0.20	2.1	37.4
434	■**Whitbread Plc**/bev & tobacco	3,771	384	5,713[1]	3,844	8.68	0.87	0.82	4.3	62.6
438	●**Beazer Plc**/construction	3,755	104	5,599	835	2.94	0.37	0.20	6.0	22.3
447	**Lucas Industries Plc**/industrial comp	3,664	239	3,604	1,829	2.65	0.35	0.20	6.0	57.4
450	■**GKN Plc**/machinery & eng	3,641	166	3,242	1,514	5.86	0.64	0.39	7.9	33.9
464	■**Courtaulds Plc**/chemicals	3,532	267	2,365	2,735	6.86	0.55	0.61	3.8	24.0
471	**Smith (WH) Group Plc**/retailing	3,443	99	1,592	1,336	6.74	0.44E	0.51	3.9	35.1
473	**George Wimpey Plc**/construction	3,400	43	3,017	1,008	3.50	0.15	0.14	6.8	16.3
484	**Berisford Intl**/trading	3,304	–152	2,724	316	0.65	–0.31	–0.02	0.0	6.5
489	●**Coats Viyella Plc**/textile,apparel	3,262	90	3,131	1,303	2.48	0.17	0.20	8.2	58.4
495	**Lex Service Plc**/services	3,203	8	1,175	287	3.07	0.09	0.19	11.3	8.0
498	**Harrisons & Crosfield**/misc materials	3,186	134	2,056	1,633	2.38	0.21	0.19	8.6	29.2
500	**Reckitt & Colman Plc**/food, household	3,148	271	3,106	3,845	25.79	1.82	1.87	3.0	23.8

European

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS		Yield (%)	Employees (thou)
							1990 ($)	1991E ($)		
	Austria									
289	**OMV AG**/energy	5,761	NA	4,061[1]	1,541	77.06	3.42	6.54	2.0	12.6
348	**Creditanstalt**/banking	4,856	55	53,389	2,906	379.59	6.68	18.20	1.6	11.5
	Finland									
207	**Kesko Group**/trading	7,986	68	3,830	871	9.66	0.76	0.82	3.5	8.1
277	**Repola Ltd**[3]/multi-industry	6,049	110	9,731	2,149	15.45	0.82	0.19	2.0	34.0
287	●**Oy Nokia**/multi-industry	5,788	90	5,970	1,374	23.18	1.43	1.38	2.9	37.3
382	**Union Bank of Finland Ltd**/banking	4,447	38	37,920	1,486	6.76	0.12	0.24	2.9	9.7
463	**Kymmene Corp**/forest products	3,547	67	7,042	1,403	18.59	0.82	NA	2.3	16.1
	Norway									
149	●**Norsk Hydro**[3]/energy	9,740	463	13,579	6,196	30.17	2.25	2.04	2.1	33.0

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Far East

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS		Yield (%)	Employees (thou)
							1990 ($)	1991E ($)		
Hong Kong										
278	■**Jardine Matheson**/multi-industry	6,035	230	6,592	2,735	4.17	0.36	3.79	3.4	27.0
411	■**Swire Pacific Ltd**/multi-industry	3,998	314	8,339	3,815	2.40	0.20	0.23	4.3	30.0
Korea										
171	**Hyundai Corp**/trading	8,991	9	310	130	27.06	1.93	2.06	2.6	0.9
199	**Ssangyong Group**/multi-industry	8,100	86	11,970	2,690	24.02	0.78	3.18	4.3	22.8
237	**Hyundai Motor Co**/automobiles	7,075	101	6,976	1,560	27.89	1.88	1.92	3.0	41.7
339	**Bank of Seoul**/banking	4,958	75	57,325	1,884	14.50	0.60	0.04	0.0	10.1
370	**Hyundai Eng & Const**/construction	4,591	75	5,383	1,138	27.20	1.79	0.56	0.5	60.5
396	**Gold Star Co Ltd**/electronic comp	4,216	48	3,650	1,561	23.61	0.74	0.91	1.8	32.5
New Zealand										
231	●**Fletcher Challenge**/forest products	7,164	428	10,338	2,965	2.24	0.38	0.26	7.0	40.0
346	■**Brierley Investments**/multi-industry	4,869	236	5,711	1,540	0.69	0.12	0.09	9.2	41.0

South America

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS		Yield (%)	Employees (thou)
							1990 ($)	1991E ($)		
Brazil[4]										
73	**Banco do Brasil**/banking	17,403	273	69,019	935	302.26	93.88	NA	4.9	121.0
198	**Banespa Group**/banking	8,107	149	12,682	118	6.91	3.97	NA	11.7	37.8
204	**Banco Bradesco Group**/banking	8,046	154	11,846	1,038	23.64	6.19	NA	4.4	113.4
280	**Petrobras**/energy	5,990	491	12,148	2,404	1,892.51	487.41	NA	4.5	55.6
285	**Banco Itau Group**/banking	5,848	128	8,767	896	145.46	20.21	NA	1.9	60.9
314	**Bamerindus Group**/banking	5,418	42	6,534	335	27.42	3.94	NA	2.6	45.7

Africa

1990 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS		Yield (%)	Employees (thou)
							1990 ($)	1991E ($)		
South Africa										
134	■**Barlow Rand Group**/multi-industry	10,613	329	7,063	2,644	14.20	1.78	1.46	4.3	158.4
309	■**So African Breweries**/bev & tobacco	5,519	274	3,594	4,783	17.84	1.02	0.08	2.3	91.0

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ACEC-Union Miniere/Belgium	454	242
Aegon Insurance Group/Netherlands	254	258
AGF-Assur Generales de France/France	148	244
Ahold/Netherlands	160	258
Air Canada/Canada	477	244
Aisin Seiki Co Ltd/Japan	352	256
Ajinomoto Co/Japan	397	256
Akzo/Netherlands	154	258
Alcan Aluminium Ltd/Canada	179	242
Alcatel Alsthom/France	44	244
Alitalia Group/Italy	371	250
All Nippon Airways/Japan	295	254
Allianz AG Holding/Germany	66	248
Allied-Lyons Plc/UK	203	264
Alps Electric Co Ltd/Japan	486	258
Alusuisse-Lonza Holding/Switzerland	372	262
Amcor Ltd/Australia	479	240
AMEC Plc/UK	413	266
Arbed SA/Belgium	267	242
Argyll Group Plc/UK	177	264
Arjo Wiggins Appleton/UK	365	266
Asahi Breweries Ltd/Japan	455	256
Asahi Chemical Industry/Japan	162	252
Asahi Glass Co Ltd/Japan	182	252
ASDA Group Plc/UK	292	264
Asea Brown Boveri Group/Switzerland	42	262
ASKO Group/Germany	338	248
Associated British Foods/UK	288	264
Australia & New Zealand Banking/Australia	157	240
B. A. T Industries/UK	85	264
Baloise Group/Switzerland	442	262
Bamerindus Group/Brazil	314	268
Banca Commerciale Italiana/Italy	166	248
Banco Bilbao Vizcaya/Spain	133	260
Banco Bradesco Group/Brazil	204	268
Banco Central Group/Spain	77	260
Banco di Roma/Italy	299	250
Banco do Brasil/Brazil	73	268
Banco Exterior de Espana/Spain	496	260
Banco Hispano Americano/Spain	332	260
Banco Itau SA/Brazil	285	268
Banco Santander Group/Spain	256	260
Banespa Group/Brazil	198	268
Banesto/Spain	274	260
Bank Bruxelles Lambert/Belgium	244	242
Bank of Montreal/Canada	164	242
Bank of Nova Scotia/Canada	208	242
Bank of Seoul/Korea	339	268
Bank of Tokyo Ltd/Japan	60	252
Bank of Yokohama Ltd/Japan	325	254
Banque Nationale de Paris/France	40	244
Barclays Plc/UK	32	262
Barlow Rand Group/South Africa	134	268
BASF Group/Germany	39	246
Bass Plc/UK	260	264
Bayer Group Worldwide/Germany	46	246
Bayerische Hypotheken/Germany	202	248
Bayerische Vereinsbank/Germany	147	248
BayWa AG/Germany	467	248
BCE Inc/Canada	81	242
Beazer Plc/UK	438	266
Berisford International/UK	484	266
BET Plc/UK	333	264
BICC Group/UK	263	264
BMW-Bayerische Motoren Werke/Germany	75	248
BOC Group Plc/UK	378	266
Bond Corp Holdings/Australia	373	240
Booker Plc/UK	331	264
Boots Co Plc/UK	312	264
Bouygues/France	138	244
Bridgestone Corporation/Japan	110	252
Brierley Investments/New Zealand	346	268
British Aerospace/UK	65	262
British Airways/UK	165	264
British Gas Plc/UK	72	264
British Petroleum Co/UK	9	262
British Steel Plc/UK	192	264
British Telecommunications/UK	49	262
Broken Hill Proprietary/Australia	140	240
BSN-Groupe/France	152	244
BTR Plc/UK	112	264
Groupe Bull/France	262	244
Cable and Wireless/UK	353	264
Cadbury Schweppes/UK	302	264
Canadian Imperial Bank of Commerce/Canada	123	242
Canadian Pacific Ltd/Canada	170	242
Canon/Japan	114	252
Carrefour/France	95	244
Casino Groupe/France	193	244
Cepsa-Cia Espanola de Petroleos/Spain	404	260
Chori Co Ltd/Japan	329	254
Chubu Electric Power/Japan	103	252
Chugoku Electric Power/Japan	261	254
Ciba-Geigy Group/Switzerland	90	262
CMB Packaging/France	376	246
Coats Viyella Plc/UK	489	266
Cockerill Sambre SA/Belgium	276	242
Coles Myer Ltd/Australia	121	240

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Company/country	Rank	Page
Commercial Union Assurance/UK	250	264
Commerzbank/Germany	122	248
Comptoirs Modernes SA/France	446	246
Continental Group/Germany	323	248
Cosmo Oil Co Ltd/Japan	129	252
Courtaulds Plc/UK	464	266
CRA Ltd/Australia	457	240
Credit Commercial de France/France	238	244
Credit Foncier de France/France	272	246
Credit Lyonnais Group/France	20	244
Creditanstalt-Bankverein/Austria	348	266
Credito Italiano SpA/Italy	251	250
CS Holding/Switzerland	155	262
CSR Limited/Australia	459	240
Dai Nippon Printing/Japan	190	254
Dai-Ichi Kangyo Bank/Japan	25	250
Daiei Inc/Japan	79	252
Daihatsu Motor Co/Japan	271	254
Daikyo/Japan	336	256
Daimaru/Japan	290	254
Daimler-Benz Group/Germany	11	246
Dainippon Ink & Chemicals/Japan	301	254
Daiwa Bank Ltd/Japan	143	252
Daiwa House Industry/Japan	357	256
Daiwa Securities Co/Japan	242	254
Dalgety Plc/UK	219	264
Danzas AG/Switzerland	264	262
Dassault Aviation SA/France	468	246
De Beers Centenary/UK	401	266
Degussa AG/Germany	194	248
Delhaize "Le Lion" Group/Belgium	210	242
Deutsche Babcock Group/Germany	472	248
Deutsche Bank Group/Germany	52	246
Deutsche Lufthansa/Germany	174	248
Docks de France/France	349	246
Dresdner Bank/Germany	92	248
NV DSM/Netherlands	305	258
Electrabel SA/Belgium	300	242
Electrolux Group/Sweden	96	260
Elf Aquitaine Group/France	29	244
Endesa/Spain	366	260
LM Ericsson Telefonaktiebolaget/Sweden	215	260
Euromarche SA/France	364	246
Fasa-Renault/Spain	392	260
Ferruzzi/Montedison Group/Italy	94	248
Fiat Group/Italy	13	248
Fletcher Challenge/New Zealand	231	268
Fortis Group/Netherlands	206	258
Foster's Brewing Group/Australia	211	240
Fuji Bank Ltd/Japan	33	250
Fuji Electric Co Ltd/Japan	283	254
Fuji Heavy Industries/Japan	286	254
Fuji Photo Film/Japan	228	254
Fujita Corp/Japan	350	256
Fujitsu Ltd/Japan	58	252
Furukawa Electric/Japan	318	254
GAN-Groupe des Assur Nationales/France	71	244
General Accident, Fire & Life/UK	240	264
General Electric Company/UK	185	264
General Sekiyu Group/Japan	483	258
Generale Bank Group/Belgium	183	242
Generale des Eaux Groupe/France	55	244
Generali Group/Italy	156	248
George Weston Ltd/Canada	158	242
GIB Group/Belgium	268	242
GKN Plc/UK	450	266
Glaxo Holdings Plc/UK	363	266
Goldstar Co Ltd/Korea	396	268
Grand Metropolitan/UK	97	264
Great Universal Stores/UK	386	266
Great-West Lifeco/Canada	347	242
GTM-Entrepose/France	426	246
Guardian Royal Exchange/UK	275	264
Guinness Plc/UK	375	266
Hachette Group/France	310	246
Hanson Plc/UK	173	264
Hanwa Company Ltd/Japan	315	254
Harrisons & Crosfield/UK	498	266
Haseko Corp/Japan	416	256
Groupe Havas/France	388	246
Hawker Siddeley Group/UK	422	266
Hazama Corp/Japan	406	256
Heineken NV/Netherlands	420	258
Henkel Group/Germany	223	248
Hidroelectrica Espanola/Spain	491	260
Hillsdown Holdings/UK	221	264
Hino Motors Ltd/Japan	362	256
Hitachi Ltd/Japan	10	250
Hochtief/Germany	440	248
Hoechst Group/Germany	41	246
Hoesch Group/Germany	214	248
Hokkaido Electric Power/Japan	475	258
Hokkaido Takushoku Bank/Japan	296	254
Holderbank Financiere Glaris/Switzerland	433	262
Philipp Holzmann AG/Germany	400	248
Honda Motor Co Ltd/Japan	36	250
Hoogovens Groep/Netherlands	374	258
Hudson's Bay Company/Canada	393	242
Hyundai Corp/Korea	171	268
Hyundai Engineering & Construction/Korea	370	268

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Company/country	Rank	Page
Hyundai Motor Co/Korea	237	268
Imetal/France	452	246
Imperial Chemical Industries/UK	53	262
Inchcape Plc/UK	284	264
Industrial Bank of Japan/Japan	54	252
Isetan Co Ltd/Japan	474	258
Ishikawajima-Harima Heavy Inds/Japan	297	254
Isuzu Motors Ltd/Japan	139	252
Ito-Yokado Co Ltd/Japan	104	252
C Itoh & Co Ltd/Japan	1	250
Itoham Foods/Japan	494	258
Itoman Corp/Japan	273	254
Iwatani International Corp/Japan	476	258
Japan Air Lines/Japan	178	252
Jardine Matheson Holdings/Hong Kong	278	268
Jujo Paper Co Ltd/Japan	428	256
Jusco Co Ltd/Japan	153	252
Kajima Corp/Japan	124	252
Kanebo Ltd/Japan	369	256
Kanematsu Corp/Japan	17	250
Kansai Electric Power/Japan	80	252
Kao Corp/Japan	359	256
Karstadt Group/Germany	159	248
Kaufhof/Germany	168	248
Kawasaki Heavy Industries/Japan	258	254
Kawasaki Kisen Kaisha Ltd/Japan	499	258
Kawasaki Steel Corp/Japan	184	252
Kawasho Corp/Japan	113	252
Kesko Oy/Finland	207	266
Kingfisher Plc/UK	298	264
Kirin Brewery Co Ltd/Japan	328	254
KLM Royal Dutch Airlines/Netherlands	443	258
Klockner-Werke Group/Germany	469	248
Kobe Steel Ltd/Japan	161	252
Komatsu Ltd/Japan	269	254
Konica Corp/Japan	465	256
Kredietbank NV/Belgium	279	242
Kubota Corp/Japan	265	254
Kumagai Gumi Co Ltd/Japan	151	252
Kymmene Corp/Finland	463	266
Kyocera Corp/Japan	488	258
Kyowa Saitama Bank Ltd/Japan	74	252
Kyushu Electric Power/Japan	191	254
L'Air Liquide Group/France	321	246
L'Oreal Group/France	306	246
John Labatt Ltd/Canada	412	244
Ladbroke Group Plc/UK	247	264
Lafarge Coppee/France	282	246
Legal & General Group/UK	230	264
Lex Service Plc/UK	495	266

Company/country	Rank	Page
Linde AG/Germany	437	248
Lloyds Bank Group/UK	70	262
Long-Term Credit Bank of Japan/Japan	69	252
Lonrho Group/UK	320	264
Lucas Industries Plc/UK	447	266
LVMH Group/France	449	246
Lyonnaise des Eaux-Dumez Group/France	102	244
M A N Group/Germany	132	248
Mannesmann Group/Germany	87	248
Marks & Spencer/UK	131	264
Marubeni Corp/Japan	5	250
Marui Co Ltd/Japan	402	256
Matra/France	380	246
Matsushita Electric Industrial/Japan	14	250
Matsushita Electric Works/Japan	235	254
Matsuzakaya Co Ltd/Japan	425	256
Mazda Motor Corp/Japan	63	252
Metallgesellschaft/Germany	115	248
Michelin Group/France	120	244
Midland Group/UK	78	264
Mitsubishi Bank Ltd/Japan	43	250
Mitsubishi Corp/Japan	4	250
Mitsubishi Electric Corp/Japan	51	252
Mitsubishi Heavy Industries/Japan	67	252
Mitsubishi Kasei Corp/Japan	201	254
Mitsubishi Materials Corp/Japan	307	254
Mitsubishi Motors Corp/Japan	61	252
Mitsubishi Oil Co/Japan	308	254
Mitsubishi Trust & Banking/Japan	130	252
Mitsui & Co Ltd/Japan	2	250
Mitsui Marine & Fire Insurance Co/Japan	487	258
Mitsui O.S.K. Lines Ltd/Japan	478	258
Mitsui Real Estate Development/Japan	176	252
Mitsui Taiyo Kobe Bank/Japan	31	250
Mitsui Toatsu Chemicals/Japan	466	256
Mitsui Trust & Banking/Japan	186	252
Mitsukoshi Ltd/Japan	236	254
Munchener Ruckversicherungs/Germany	229	248
Nagasakiya Co Ltd/Japan	490	258
Nagase & Co Ltd/Japan	431	256
National Australia Bank Group/Australia	150	240
National Bank of Canada/Canada	439	244
National Westminster Bank Group/UK	38	262
Nationale-Nederlanden/Netherlands	109	258
NCC Group/Sweden	418	260
NEC Corp/Japan	45	250
Nestle/Switzerland	27	262
News Corp Ltd/Australia	249	240
Nichii Co Ltd/Japan	188	254
Nichimen Corp/Japan	15	250

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Company/country	Rank	Page
Nichirei Corp/Japan	453	256
Nikko Securities Co Ltd/Japan	334	256
Nintendo Co Ltd/Japan	481	258
Nippon Credit Bank/Japan	141	252
Nippon Express Co/Japan	127	252
Nippon Light Metal/Japan	410	256
Nippon Meat Packers/Japan	361	256
Nippon Mining Co Ltd/Japan	233	254
Nippon Oil Co Ltd/Japan	88	252
Nippon Steel Corp/Japan	59	252
Nippon Suisan Kaisha Ltd/Japan	462	256
Nippon Telegraph & Telephone/Japan	16	250
Nippon Yusen KK/Japan	324	254
Nippondenso Co Ltd/Japan	137	252
Nissan Motor Co Ltd/Japan	18	250
Nissan Shatai Co Ltd/Japan	480	258
Nisshin Steel Co Ltd/Japan	492	258
Nissho Iwai Corp/Japan	7	250
NKK Corp/Japan	142	252
Nobel Industries Sweden/Sweden	381	260
Oy Nokia Ab/Finland	287	266
Nomura Securities/Japan	187	252
Noranda/Canada	200	242
Nordbanken Group/Sweden	213	260
Norsk Hydro/Norway	149	266
Nova Corp of Alberta/Canada	408	242
Obayashi Corp/Japan	197	254
OCP-Office Commercial Pharmaceutique/France	384	246
Oji Paper Co Ltd/Japan	356	256
Oki Electric Industry/Japan	360	256
Okura & Co Ltd/Japan	461	256
Olivetti Group/Italy	220	250
OMV AG/Austria	289	266
Osaka Gas Co Ltd/Japan	399	256
Oshawa Group Ltd/Canada	414	244
Pacific Dunlop Ltd/Australia	423	240
Paribas Group/France	62	244
Pechiney/France	91	244
Peninsular & Oriental Steam/UK	172	264
Petrobras-Petroleo Brasileiro/Brazil	280	268
Petrofina SA/Belgium	101	242
Peugeot Groupe SA/France	37	244
Philips Group/Netherlands	35	258
Pilkington Plc/UK	344	264
Pinault/France	281	246
Pioneer Electronic Corp/Japan	395	256
Pioneer International/Australia	432	240
Pirelli Group/Italy	209	250
Poliet SA/France	458	246
Preussag Group/Germany	84	248
Groupe Printemps/France	319	246
Procordia/Sweden	270	260
Promodes Group/France	128	244
Provigo Inc/Canada	303	242
Prudential Corp Plc/UK	82	264
Racal Electronics/UK	429	266
Reckitt & Colman Plc/UK	500	266
Repola Ltd/Finland	277	266
Repsol SA/Spain	83	260
Rhone-Poulenc Group/France	89	244
Cie Financiere Richemont/Switzerland	367	262
Ricoh Co Ltd/Japan	234	254
RMC Group Plc/UK	368	266
Roche Group/Switzerland	239	262
Rolls-Royce Plc/UK	255	264
Royal Bank of Canada/Canada	107	242
Royal Bank of Scotland Group/UK	252	264
Royal Dutch/Shell Group/Netherlands	6	258
Royal Insurance Holdings/UK	146	264
Royal Nedlloyd Group/Netherlands	444	258
Royal Trustco Ltd/Canada	390	242
RTZ Corp Plc/UK	241	264
RWE Group/Germany	48	246
Saab-Scania Group/Sweden	342	260
Saatchi & Saatchi Co/UK	226	264
SAE-Soc Auxiliaire D'Entreprises/France	340	246
J Sainsbury Plc/UK	86	264
Saint-Gobain/France	105	244
Sandoz Group/Switzerland	175	262
Sanwa Bank Ltd/Japan	30	250
Sanyo Electric Co/Japan	144	252
Sanyo-Kokusaku Pulp/Japan	482	258
Sato Kogyo Co Ltd/Japan	427	256
SCA-Svenska Cellulosa/Sweden	326	260
Schering Group/Germany	445	248
Schlumberger Ltd/Netherlands	322	258
Schneider SA/France	163	244
Seagram Co Ltd/Canada	335	242
Sears Plc/UK	419	266
Seiyu Ltd/Japan	169	252
Sekisui Chemical Co/Japan	337	256
Sekisui House Ltd/Japan	218	254
Sharp Corp/Japan	135	252
Shimizu Corp/Japan	125	252
Shinsho Corp/Japan	421	256
Shiseido Co Ltd/Japan	448	256
Showa Denko KK/Japan	387	256
Showa Shell Sekiyu KK/Japan	117	252
Siemens Group/Germany	22	246
Skandinaviska Enskilda Banken/Sweden	180	260

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Company/country	Rank	Page
Skanska AB/Sweden	266	260
SKF Group/Sweden	358	260
SME-Soc Meridionale Finanziaria/Italy	383	250
W H Smith Group Plc/UK	471	266
SmithKline Beecham Plc/UK	205	264
Snow Brand Milk Products/Japan	246	254
Societe Generale Group/France	56	244
Solvay Group/Belgium	216	242
Sony Corp/Japan	47	250
South African Breweries/South Africa	309	268
Ssangyong Group/Korea	199	268
Standard Chartered Group/UK	351	264
STET-Soc Finanziaria Telefonica/Italy	76	248
Stora/Sweden	136	260
Suez Group/France	23	244
Sulzer Group/Switzerland	377	262
Sumitomo Bank Ltd/Japan	24	250
Sumitomo Chemical Co Ltd/Japan	225	254
Sumitomo Corp/Japan	3	250
Sumitomo Electric Industries/Japan	212	254
Sumitomo Forestry Co Ltd/Japan	451	256
Sumitomo Heavy Industries/Japan	485	258
Sumitomo Metal Industries/Japan	106	252
Sumitomo Metal Mining/Japan	403	256
Sumitomo Rubber Industries/Japan	435	256
Sumitomo Trust & Banking/Japan	126	252
Sun Alliance Group/UK	224	264
Suzuki Motor Corp/Japan	181	252
Svenska Handelsbanken/Sweden	189	260
Swire Pacific/Hong Kong	411	268
Swiss Bank Corp/Switzerland	108	262
Swiss Re Group/Switzerland	167	262
Swissair Group/Switzerland	436	262
Tabacalera/Spain	293	260
Taisei Corp/Japan	116	252
Taiyo Fishery Co Ltd/Japan	217	254
Takashimaya Co Ltd/Japan	227	254
Takeda Chemical Industries/Japan	345	256
Tarmac Plc/UK	259	264
Tate & Lyle Group/UK	291	264
TDK Corp/Japan	430	256
Teijin Ltd/Japan	389	256
Telefonica/Spain	196	260
Tesco Plc/UK	118	264
Thomson Corp/Canada	317	242
Thomson CSF SA/France	245	244
Thorn Emi Plc/UK	248	264
Thyssen Group/Germany	57	246
TNT Ltd/Australia	470	240
Toda Corp/Japan	407	256

Company/country	Rank	Page
Tohoku Electric Power/Japan	195	254
Tokai Bank Ltd/Japan	64	252
Tokio Marine & Fire Insurance/Japan	232	254
Tokyo Electric Power Co/Japan	34	250
Tokyo Gas Co Ltd/Japan	327	254
Tokyu Construction/Japan	409	256
Tokyu Department Store/Japan	493	258
Tomen Corp/Japan	12	250
Tonen Corp/Japan	304	254
Toppan Printing Co/Japan	243	254
Toray Industries/Japan	257	254
Toronto-Dominion Bank/Canada	253	242
Toshiba Corp/Japan	28	250
Toshoku Ltd/Japan	313	254
Total Group-Francaise des Petroles/France	50	244
Toyo Seikan Kaisha Ltd/Japan	341	256
Toyo Trust & Banking/Japan	294	254
Toyobo Co Ltd/Japan	424	256
Toyoda Automatic Loom Works Ltd/Japan	405	256
Toyota Motor Corp/Japan	8	250
Toyota Tsusho Corp/Japan	99	252
Trafalgar House Plc/UK	330	264
Trelleborg Group/Sweden	394	260
Trusthouse Forte Plc/UK	355	266
UAP-Union des Assurances de Paris/France	68	244
Ube Industries Ltd/Japan	385	256
Unigate Plc/UK	415	266
Unilever/Netherlands	21	258
Union Bank of Finland/Finland	382	266
Union Bank of Switzerland/Switzerland	100	262
United Biscuits (Holdings)/UK	391	266
UNY Co Ltd/Japan	379	256
Valeo/France	441	246
Varity Corp/Canada	460	244
VEBA Group/Germany	26	246
VEW-Vereinigte Elektrizitatswerke/Germany	417	248
VIAG Group/Germany	111	248
Volkswagen Group/Germany	19	246
Volvo Group/Sweden	93	260
Westpac Banking Group/Australia	119	240
Whitbread Plc/UK	434	266
George Wimpey Plc/UK	473	266
Winterthur Group/Switzerland	145	262
Yamaha Corp/Japan	456	256
Yamaha Motor Co Ltd/Japan	343	256
Yamaichi Securities Co/Japan	354	256
Yamazaki Baking Co Ltd/Japan	497	258
Yasuda Fire & Marine Insurance/Japan	316	254
Yasuda Trust & Banking/Japan	222	254
Zurich Insurance Group/Switzerland	98	262

THE 100 LARGEST FOREIGN INVESTMENTS IN THE U.S.

Their money stayed home

AMERICANS can stop worrying about a foreign takeover of our economy. Overseas companies slowed their acquisition spree, but they didn't stop it altogether. According to the U.S. Department of Commerce, net capital inflow from foreigners into the U.S. was $86 billion, down sharply from the $215 billion of 1989 and the record $219 billion of 1988.

Why the drop? For one thing, the continuing troubles of the U.S. banking industry reduced confidence in American assets. Interest rate differentials made U.S. securities less attractive. And last year's bearish stock market drove down the value of U.S. equities already held by foreigners.

The net figure for direct investment—outright purchase or investment in U.S. firms—fell 49%, to $37 billion. When foreigners did open their wallets, they zeroed in on big American corporations. According to *Mergers & Acquisitions* magazine, foreigners were involved in 14% of the takeover deals that took place in the U.S. in 1990. A total of $7 billion went to acquire businesses in the health care industry; about half of it was spent by Rhone-Poulenc of France in a complicated deal for control of Rorer Group, now named Rhone-Poulenc Rorer.

Allianz of Germany jumped into the U.S. insurance business by acquiring Fireman's Fund from Fund American. France's Schneider S.A. purchased Square D, and Matsushita Electric Industrial bought U.S. media company MCA. Our table shows the revenue for MCA for the 12 months through September 1990, the last time MCA reported earnings. After a company is acquired it can become difficult, if not impossible, to obtain financial data—especially when the parent company is private.

Vendex International of the Netherlands disposed of its 35% holdings in Dillard Department Stores. Regie Nationale des Usines Renault's U.S. operations are now listed with Volvo, following last year's deal between the two companies. In the table below, FORBES shows total revenue, net income and assets of the U.S. corporation instead of the proportional interest the parent holds in it.

1990 rank	Foreign investor	Country	US investment	% owned	Industry	Revenue ($mil)	Net income ($mil)	Assets ($mil)
1	**Seagram Co Ltd***	Canada	El du Pont de Nemours*	25	chemicals, energy	40,047	2,310.0	38,128
			JE Seagram	100	beverages	3,678	536.7	8,935
						43,725		
2	**Royal Dutch/Shell Group***	Netherlands/UK	Shell Oil	100	energy, chemicals	24,423	1,036.0	28,496
3	**British Petroleum Plc***	UK	BP America	100	energy	18,620	NA	NA
			Standard Oil	100	energy			
4	**Grand Metropolitan Ltd***	UK	Burger King	100	fast food	6,100	NA	NA
			Grand Metropolitan USA	100	beverages, retailing	4,120	NA	NA
			Pillsbury	100	food processing	2,600	NA	NA
						12,820		
5	**Tengelmann Group**	Germany	Great A&P Tea*	53	supermarkets	11,391	151.0	3,307
6	**Campeau**	Canada	Federated Dept Stores	100	retailing	4,576	–208.6	6,126
			Allied Stores	100	retailing	2,562	–62.9	3,024
			Ralphs Grocery	100	supermarkets	2,800	–38.3	1,400
						9,938		
7	**Petroleos de Venezuela, SA**	Venezuela	Citgo Petroleum	100	refining, marketing	9,049	108.7	2,881
8	**Unilever NV*** **Unilever Plc***	Netherlands UK	Unilever United States	100	food proc, pers prods	8,680	3.9	9,039
9	**B.A.T Industries Plc***	UK	Brown & Williamson Tobacco	100	tobacco	3,050	NA	NA
			Farmers Group	100	insurance	1,297	357.5	4,646
	Imasco Ltd	Canada	Hardee's Food Systems	100	fast food	4,146	NA	NA
						8,493		
10	**Hanson Plc***	UK	Hanson industries	100	multicompany	6,453	456.0	12,027
			Smith Corona*	48	office supplies	471	33.5	222
			GR Foods*	49	restaurant	289	–16.8	202
			Cavenham Forest Inds	100	timber	276	NA	NA
						7,489		
11	**Sony Corp***	Japan	Sony Music Entertainment	100	music entertainment	7,460	NA	NA
			Columbia Pictures	100	movies			
			Sony Corp of America	100	consumer electronics			

*Publicly traded in the U.S. in shares or ADRs. Note: Some foreign investors on the list own U.S. companies indirectly through companies in italics. NA: Not available.

1990 rank	Foreign investor	Country	US investment	% owned	Industry	Revenue ($mil)	Net income ($mil)	Assets ($mil)
12	**Nestle SA***	Switzerland	Nestle USA	100	food processing	7,225	NA	NA
			Alcon Laboratories	100	pharmaceuticals			
13	**Philips NV***	Netherlands	North American Philips	100	electronics	6,119	–645.7	3,377
14	**Franz Haniel & Cie**	Germany	Scrivner	100	food distribution	6,000	NA	1,400
			Gateway Foods	100	food distribution			
15	**Pechiney**	France	American National Can	100	packaging	4,506	NA	6,721
			Howmet	100	gas turbines	973	NA	
			Other companies	100	aluminum	459	NA	
						5,938		
16	**Bayer AG***	Germany	Miles	100	health care	2,568	100.3	2,217
			Mobay	100	chemicals	2,224	91.3	1,891
			Agfa	100	photography	957	–8.2	765
			Other companies	100	chemicals	154	–34.2	164
						5,903		
17	**Hoechst AG***	Germany	Hoechst Celanese	100	chemicals	5,881	201.0	6,082
18	**Volvo AB***	Sweden	Hertz	26	car rental	2,666	89.0	3,852
			Volvo GM Heavy Truck	76	automotive	999	NA	NA
			VME Americas	25	automotive	360E	NA	NA
	Regie Nationale des Usines Renault	France	Mack Trucks	100	automotive	1,608	–222.9	NA
						5,633		
19	**ASEA AB***	Sweden						
	BBC Brown Boveri*	Switzerland						
	ABB Asea Brown Boveri	Switzerland	ABB	100	power generation	5,600	NA	5,650
20	**Delhaize "Le Lion" SA**	Belgium	Food Lion*	50	supermarkets	5,584	172.6	1,559
21	**BASF AG***	Germany	BASF	100	chemicals	5,381	64.3	3,643
22	**Toyota Motor Corp***	Japan	Toyota Motor Mfg	100	automotive	2,600E	NA	NA
			New United Motor Mfg	50	automotive	2,000E	NA	NA
	Nippondenso Co Ltd*	Japan	Nippondenso America	100	auto parts	670	NA	NA
						5,270		
23	**Rhone–Poulenc SA***	France	Rhone–Poulenc	100	chemicals	2,300	NA	3,300
			Rhone–Poulenc Rorer*	67	pharmaceuticals	2,917	1.0	4,085
						5,217		
24	**Bridgestone***	Japan	Bridgestone/Firestone	100	tire	5,000	–350.0	NA
25	**Honda Motor Co Ltd***	Japan	Honda of America Mfg	100	automotive	5,000E	NA	NA
26	**Imperial Chemical Industries Plc***	UK	ICI Americas	100	chemicals, drugs, paint	5,000	NA	NA
27	**Carrefour**	France	Costco Wholesale*	20	retailing	4,133	49.2	820
			Office Depot*	22	retailing	626	9.7	182
						4,759		
28	**Brascan Ltd***	Canada						
	Noranda	Canada	Noranda US	100	minerals, forest prods	2,941	NA	2,221
	John Labatt Ltd	Canada	Johanna Dairies	100	dairy, juice products	1,612	NA	NA
			Other companies	100	packaged foods, brewing			
						4,553		
29	**Ahold NV***	Netherlands	First National Supermkts	90	supermarkets	1,967	NA	NA
			BI–LO	100	supermarkets	1,543	NA	1,162
			Giant Food Stores	100	supermarkets	903	NA	NA
						4,413		
30	**BCE***	Canada						
	Northern Telecom Ltd*	Canada	Northern Telecom	100	telecommunications	3,938	NA	3,142
	Trans Canada Pipeline*	Canada	Great Lakes Gas Trans	50	gas transmission	228	46.8	NA
			Northern Border Pipeline	30	gas transmission	171	–39.1	NA
						4,337		

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THE 100 LARGEST FOREIGN INVESTMENTS IN THE U.S.

1990 rank	Foreign investor	Country	US investment	% owned	Industry	Revenue ($mil)	Net income ($mil)	Assets ($mil)
31	**Fujitsu Ltd***	Japan	Amdahl*	44	electronics	2,159	184.0	2,327
			Fujitsu America	100	electronics	1,640	NA	NA
			Fujitsu Microelectronics	100	electronics	480	-89.0	334
						4,279		
32	**Anglo Amer of S Africa***	South Africa						
	_**Minorco**_*	Luxembourg	Engelhard*	30	metals	2,942	70.3	1,320
			Inspiration Resources*	56	agricultural, mining	1,320	-108.5	805
						4,262		
33	**Electrolux AB***	Sweden	White Consolidated	100	appliances	4,132	NA	NA
34	**Siemens AG***	Germany	Siemens	100	electronics	4,100	-145.0	2,000
35	**Ciba-Geigy Ltd***	Switzerland	CIBA-GEIGY	100	chemicals, drugs	3,800	NA	3,300
			Other companies	20	precision instruments	244	NA	NA
						4,044		
36	**Petrofina SA***	Belgium	Fina*	85	energy	3,978	125.5	2,846
37	**Matsushita Electric Industrial***	Japan	MCA	100	entertainment	3,881	209.4	5,286
38	**Ferruzzi-Montedison*Group**	Italy	Central Soya	100	food processing	1,950	NA	NA
			Himont	100	chemicals	1,611	NA	NA
			Other companies	100	pharmaceuticals	300	NA	NA
						3,861		
39	**News Corp Ltd***	Australia	News America	100	media, publishing	3,780	NA	9,655
40	**Prudential Corp Plc***	UK	Jackson National Life	100	insurance	3,681	70.0	10,602
41	**SmithKline Beecham Plc***	UK	SmithKline Beecham (US)	100	drugs, consumer prods	3,582	NA	2,541
42	**Dalgety Plc**	UK	Martin-Brower	100	food distribution	3,500	NA	NA
43	**Zurich Insurance Group**	Switzerland	Zurich Insurance Group US	100	insurance	3,298	175.4	7,462
44	**Allianz**	Germany	Fireman's Fund	100	insurance	3,240	-32.0	9,212
45	**RTZ Plc***	UK	US Borax & Chemical	100	mining, borax			
			US Silica	100	sand, clays	2,350	426.5	2,692
			Kennecott	100	mining			
	**RTZ Pillar Ltd**	UK	Indal US	100	building products	483	NA	297
	_**Rio Algom Ltd**_*	Canada	Rio Algom	100	metals, mining	352	NA	223
						3,185		
46	**BTR Plc***	UK	BTR Dunlop	100	construction, controls	3,008	NA	NA
47	**Compagnies des Machines Bull***	France	Bull HN Information Sys	85	information systems	2,174	-477.0	1,911
			Zenith Data Systems	100	information systems	830	-149.0	724
						3,004		
48	**Manufacturers Life Insurance**	Canada	Manufacturers Life Ins US	100	insurance	3,000E	NA	NA
49	**Jefferson Smurfit Group Plc**	Ireland						
	**Smurfit International BV**	Netherlands	Jefferson Smurfit*	50	paper, packaging	2,911	22.0	2,448
			Container Corp of Am	50	paper, packaging			
50	**Saint-Gobain**	France	CertainTeed	100	building materials	1,400E	NA	1,100E
			Norton	100	building materials	1,500E	NA	1,200E
						2,900		
51	**Societe Nationale Elf Aquitaine***	France	Elf Aquitaine	100	oil & gas, chemicals	2,490	NA	4,512
	**Sanofi SA**	France	Sanofi	100	health, beauty products	402	NA	637
						2,892		
52	**Alcan Aluminium Ltd***	Canada	Alcan Aluminum	100	aluminum	2,876	83.0	1,710
53	**Total CFP**	France	Total Petroleum	100	energy	2,659	23.8	1,058
			Total Minatome	100	oil & gas	200	NA	600
						2,859		

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1990 rank	Foreign investor	Country	US investment	% owned	Industry	Revenue ($mil)	Net income ($mil)	Assets ($mil)
54	**Henkel KGaA**	Germany	Clorox*	28	household products	1,484	153.6	1,138
			Henkel	100	chemicals	835	NA	1,260
			Loctite*	26	chemicals	510	61.4	440
						2,829		
55	**Hongkong & Shanghai Banking Corp***	Hong Kong	Marine Midland Banks	100	banking	2,813	–295.6	20,107
56	**Edmund J Safra**	Switzerland						
	Saban SA	Switzerland	Republic NY*	29	banking	2,772	201.2	29,597
57	**Power Corp of Canada**	Canada						
	Great–West Lifeco	Canada	Great–West Life Assur	99	insurance	2,745	NA	10,659
58	**Thomson SA**	France	Thomson Consumer Elec	100	consumer electronics	2,669	–60.0	1,219
59	**NKK Corp***	Japan	National Steel	70	steel	2,508	18.5	2,105
			Int'l Light Metals	40	aluminum, titanium	103	–20.0	135
						2,611		
60	**Daimler–Benz AG***	Germany	Freightliner	100	automotive	1,713	NA	NA
	AEG AG	Germany	AEG	100	elec equip, electronics	850	NA	NA
			Other companies	100	elec equip, computers			
						2,563		
61	**Broken Hill Proprietary***	Australia	Pacific Resources	100	energy	1,000E	NA	NA
			BHP Petroleum (Americas)	100	energy	700E	NA	NA
			BHP–Utah Minerals	100	mining	600E	NA	NA
			Hamilton Oil*	78	energy	236	30.9	957
						2,536		
62	**Sun Life Assurance Co of Canada**	Canada	Sun Life of Canada (US)	100	insurance	1,789	4.5	5,841
			Sun Life's US Subs	100	insurance	745	NA	NA
						2,534		
63	**Snecma**	France	CFM International	50	aviation	2,463	1.2	1,211
64	**Sandoz Ltd**	Switzerland	Sandoz United States	100	chemicals, drugs	2,436	NA	NA
65	**Roche Holding Ltd**	Switzerland	Hoffmann–La Roche	100	drugs, chemicals	1,980	NA	NA
			Genentech*	61	biotechnology	447	–98.0	1,158
						2,427		
66	**Bank of Tokyo Ltd***	Japan	Union Bank*	77	banking	1,686	146.5	16,313.0
			Bank of Tokyo Trust	100	banking	722	31.4	8,800
						2,408		
67	**Dainippon Ink & Chemicals**	Japan	Sun Chemical	100	printing, chemicals	1,100E	NA	NA
			Reichhold Chemicals	100	chemicals	1,000E	NA	NA
			Polychrome	100	printing	300E	NA	NA
						2,400		
68	**General Electric Plc***	UK	Picker International	100	medical equipment	2,369	NA	NA
			AB Dick	100	office equipment			
			Other companies	100	elec system & component			
69	**Tate & Lyle Plc***	UK	AE Staley Manufacturing	90	food distr, processing	1,200	NA	NA
			Pacific Molasses	100	molasses, animal feeds	1,145	NA	NA
			Western Sugar	100	sugar refining			
			Other companies	100	sugar processing			
						2,345		
70	**National Westminster Bank Plc***	UK	National Westminster	100	banking	2,290	–372.4	23,323
71	**Aegon NV***	Netherlands	Aegon USA	100	insurance	2,286	102.1	10,444
72	**Nationale–Nederlanden NV**	Netherlands	Nationale–Nederlanden US	100	insurance	2,260	52.0	6,584
73	**Royal Insurance Holdings Plc**	UK	Royal USA	100	insurance	2,246	–46.3	5,294
74	**Nissan Motor Co Ltd***	Japan	Nissan Motor Mfg USA	100	automotive	2,200E	NA	NA

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THE 100 LARGEST FOREIGN INVESTMENTS IN THE U.S.

1990 rank	Foreign investor	Country	US investment	% owned	Industry	Revenue ($mil)	Net income ($mil)	Assets ($mil)
75	**Mazda Motor**	Japan	Mazda Motor Mfg USA	100	automotive	2,100E	NA	NA
76	**McDermott International***	Panama	McDermott	100	heavy equipment	2,028	NA	1,395
77	**General Accident Fire & Life Plc**	UK	Gen Accident Corp of Am	100	insurance	1,983	177.4	4,512
78	**Glaxo Holdings Plc***	UK	Glaxo	100	ethical pharmaceutical	1,957	NA	NA
79	**Thomson Corp**	Canada	Thomson US	100	publishing	1,954	NA	4,503
80	**WPP Group Plc***	UK	Ogilvy & Mather	100	advertising	775	NA	NA
			J Walter Thompson	100	advertising	691	NA	NA
			WPP Group USA	100	marketing services	290	NA	NA
			Knowlton	100	public relations	197	NA	NA
						1,953		
81	**Confederation Life Insurance**	Canada	Confederation Life	100	insurance	1,919	NA	4,996
82	**Bertelsmann AG**	Germany	Bertelsmann USA	100	printing, publishing	1,911	NA	NA
83	**Crownx**	Canada	Crown Life Insurance (US	94	insurance	1,500E	NA	NA
			United Health	100	health care	402	NA	NA
						1,902		
84	**Akzo NV***	Netherlands	Akzo America	100	multicompany	1,892	NA	1,900E
85	**Maxwell Communications Plc***	UK	Maxwell Macmillan	100	publishing	1,841	91.8	6,235
			Official Airline Guides	100	publishing			
			Macmillan McGraw-Hill	100	school publishing			
86	**George Weston Ltd**	Canada	Stroehmann Bakeries	100	bakery	693	NA	356
			Interbake Foods	100	bakery			
			Eddy Paper	100	paper products			
	Loblaw Cos	Canada	National Tea	100	supermarkets	1,125	NA	314
						1,818		
87	**Otto Family**	Germany	Spiegel*	87	catalog retailing	1,785	61.5	1,744
88	**J Sainsbury Plc***	UK	Shaw's Supermarkets	100	supermarkets	1,770	NA	NA
89	**BOC Group Plc***	UK	BOC Group	100	gases & health care	1,740	–120.0	1,700
90	**CS Holding**	Switzerland	First Boston	45	investment banking	1,700E	NA	31,042
91	**Sobey Parties**	Canada	Hannaford Brothers*	26	food distribution	1,688	42.2	629
92	**NV AMEV**	Netherlands						
	Groupe AG	Belgium	AMEV Holdings	100	insurance	1,685	63.4	2,991
93	**Mitsubishi Motors**	Japan	Diamond-Star Motors	50	automotive	1,678	NA	NA
94	**Beazer Plc***	UK	Beazer USA	100	const materials	1,675	NA	4,200E
95	**Canadian Pacific Ltd***	Canada	CP Rail (US)	100	railroad	800E	NA	2,300E
			Canadian Pacific US	100	transportation, steel			
	United Dominion Inds*	Canada	United Dominion Inds (US)	100	industrial machinery	868	NA	318
						1,668		
96	**Moore Corp Ltd***	Canada	Moore Business Forms	100	business forms	1,659	57.2	998
97	**Schneider SA**	France	Square D	95	electrical equipment	1,653	120.7	1,460
98	**Olympia & York Develop Ltd**	Canada	Landmark Land*	25	real estate	389	–221.5	2,400
	Abitibi-Price*	Canada	Abitibi-Price (US)	100	bldg products, newsprnt	713	NA	401
	Trizec	Canada	Rouse*	23	property dev, banking	530	–1.2	2,615
						1,632		
99	**United Biscuits (Holdings) Plc**	UK	Keebler	100	food processing	1,615	60.1	671
100	**Ifint SA**	Luxembourg	Lear Seating	29	auto parts	1,100E	NA	NA
			Moog Automotive	100	auto parts	500E	NA	NA
						1,600		

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U.S. corporations with the biggest foreign revenues

FOR THE 100 largest U.S.-based multinationals listed below, aggregate U.S. sales increased only 4.5% in 1990—that's actually a decline of 1.6% after adjusting for inflation. However, the foreign operations of these same 100 companies registered a 15% jump in revenues, to $640 billion. Foreign sales are now about 40% of the total revenues of these giants. More than ever before, for a U.S. corporation to grow, it must have a global perspective.

Foreign revenue gains are unlikely to look as impressive this year as last, however. Sales in foreign countries are translated back into U.S. dollars when booked on the parent's consolidated statement. The dollar was weak in 1990, meaning foreign sales were translated into more dollars. But this year the dollar has been rising against most Western European currencies and the Japanese yen. If this trend persists, the 1991 revenues of U.S.-based multinationals will be penalized by currency conversion.

Perhaps offsetting this disadvantage, optimistic economists at the Organization for Economic Cooperation & Development forecast a 3.1% growth rate for the U.S. in 1992, compared with a 2.9% rate for all the OECD countries, including the U.S. Mitchell J. Held, chief financial economist at Smith Barney, thinks U.S. companies have a growing edge in exporting to international markets. Held thinks that through a combination of smaller wage gains and greater productivity growth, unit labor cost growth in the U.S. is going to be among the lowest in the world. So for those multinationals that can shift production to the U.S., the year ahead looks rather promising.

Last year impressive foreign revenue gains were registered by personal computer makers Apple and Compaq. Given the increased competition in the U.S. computer market, this growth in foreign demand couldn't have come at a better time for these two companies.

When calculating foreign sales, U.S. exports and intergeographic sales between affiliates are not considered.

To rank as one of the 100 largest U.S. multinationals, a corporation had to generate foreign revenues in excess of $1.8 billion in 1990, up from $1.35 billion in 1989. Exchange rates account for some of this increase, but the minimum was also raised by heavyweight multinationals that joined this list. RJR Nabisco and Safeway recently expanded their equity bases, and Rhone-Poulenc Rorer and Federal Express grew by merger or acquisition.

1990 Rank	Company	Revenue			Net profit[1]			Assets		
		foreign ($mil)	total ($mil)	foreign as % of total	foreign ($mil)	total ($mil)	foreign as % of total	foreign ($mil)	total ($mil)	foreign as % of total
1	Exxon	79,015	105,519	74.9	4,184	5,010	83.5	51,586	87,707	58.8
2	IBM	41,886	69,018	60.7	4,548	6,020	75.5	45,692	87,568	52.2
3	General Motors	37,738	124,705	30.3	2,585	–1,986	P-D	52,621	179,976	29.2
4	Ford Motor	35,879	97,650	36.7	232	860	27.0	55,161	173,611	31.8
5	Mobil	32,515[2]	58,770[2]	55.3	2,132[3]	2,547[3]	83.7	22,296	41,665	53.5
6	Citicorp	21,072	38,385	54.9	178	318	56.0	99,007[4]	231,788[4]	42.7
7	Texaco	17,520	40,899	42.8	936[3]	1,993[3]	47.0	7,818	25,975	30.1
8	EI du Pont de Nemours	17,413[5]	40,047[5]	43.5	948	2,310	41.0	11,878	38,128	31.2
9	ITT[8]	11,628	25,734	45.2	540[7]	900[7]	60.0	12,762	52,588	24.3
10	Philip Morris Cos	10,468	44,323	23.6	960	3,540	27.1	12,510	46,569	26.9

[1] From continuing operations. [2] Includes other income. [3] Net income before corporate expense. [4] Average assets. [5] Includes excise taxes. [6] Includes proportionate interest in unconsolidated subsidiaries or affiliates. [7] Net income before minority interest. [8] Excludes Canadian operations. [9] Pretax income. [10] Operating profit. D-P: Deficit over profit. P-D: Profit over deficit. NA: Not available.

1990 Rank	Company	Revenue foreign ($mil)	Revenue total ($mil)	Revenue foreign as % of total	Net profit[1] foreign ($mil)	Net profit[1] total ($mil)	Net profit[1] foreign as % of total	Assets foreign ($mil)	Assets total ($mil)	Assets foreign as % of total
11	**Dow Chemical**	10,279	19,773	52.0	543[7]	1,585[7]	34.3	10,879	23,953	45.4
12	**Procter & Gamble**	9,618	24,081	39.9	467	1,602	29.2	6,516	18,487	35.2
13	**Chevron**	8,592	38,607	22.3	1,311	2,157	60.8	8,406	35,089	24.0
14	**General Electric**	8,272[2]	58,414[2]	14.2	490	4,303	11.4	16,461	153,884	10.7
15	**Eastman Kodak**	8,245	18,908	43.6	605	703	86.1	7,107	24,125	29.5
16	**Amoco**	8,227[2]	29,201[2]	28.2	975	1,913	51.0	10,570	32,209	32.8
17	**Xerox[6]**	8,105	19,188	42.2	531[7]	792[7]	67.0	8,659	32,177	26.9
18	**United Technologies**	7,840[2]	21,783[2]	36.0	434[7]	812[7]	53.4	4,379	15,918	27.5
19	**Hewlett-Packard**	7,208	13,233	54.5	361	739	48.8	5,088	11,395	44.7
20	**Digital Equipment**	7,119	12,943	55.0	374	74	505.4	5,085	11,655	43.6
21	**American Intl Group**	6,318[8]	15,702	40.2	600[8]	1,442	41.6	22,095[8]	58,143	38.0
22	**Coca-Cola**	6,261	10,236	61.2	997	1,382	72.1	3,708	9,278	40.0
23	**Minn Mining & Mfg**	6,219	13,021	47.8	486[7]	1,337[7]	36.4	4,705	11,079	42.5
24	**Motorola**	5,896	10,885	54.2	285[9]	666[9]	42.8	3,084	8,742	35.3
25	**Johnson & Johnson**	5,805	11,232	51.7	573	1,143	50.1	4,359	9,506	45.9
26	**American Express**	5,348	24,332	22.0	264	338	78.1	26,351	137,682	19.1
27	**Chase Manhattan**	5,291	13,672	38.7	131	–334	P-D	25,933	98,064	26.4
28	**Unisys**	5,240	10,111	51.8	–181	–437	41.4	3,500	10,289	34.0
29	**Goodyear Tire & Rubber**	4,813	11,273	42.7	8	–38	P-D	3,436	8,964	38.3
30	**JP Morgan & Co**	4,752	10,465	45.4	462	775	59.6	40,410	93,103	43.4
31	**Tenneco**	4,526	14,511	31.2	129	561	23.0	5,604	19,034	29.4
32	**Bankers Trust New York**	4,448	7,919	56.2	518	665	77.9	40,287	63,596	63.3
33	**Bristol-Myers Squibb**	4,421	10,300	42.9	481	1,748	27.5	2,522	9,215	27.4
34	**Aluminum Co of America**	4,327	10,710	40.4	807[7]	653[7]	123.6	5,133	11,413	45.0
35	**American Brands**	4,296	8,270	51.9	444	596	74.5	3,797	13,835	27.4
36	**Woolworth**	4,267	9,789	43.6	135	317	42.6	1,974	4,305	45.9
37	**Sears, Roebuck**	4,221	55,972	7.5	48[7]	894[7]	5.4	3,299	96,253	3.4
38	**Atlantic Richfield**	3,928	18,008	21.8	244[7]	1,744[7]	14.0	4,898	23,864	20.5
39	**NCR**	3,892	6,285	61.9	352	369	95.4	2,025	4,547	44.5
40	**Colgate-Palmolive**	3,792	5,691	66.6	180	321	56.1	2,232	4,158	53.7
41	**PepsiCo**	3,756	17,803	21.1	613	1,091	56.2	3,826	17,143	22.3
42	**Chrysler**	3,733	30,620	12.2	152	68	223.5	5,663	46,374	12.2
43	**Safeway**	3,701	14,874	24.9	44	87	50.6	1,043	4,739	22.0
44	**Merck**	3,632	7,672	47.3	459	1,781	25.8	2,548	8,030	31.7
45	**Kmart[6]**	3,595	35,387	10.2	NA	756	NA	1,286	14,321	9.0
46	**Salomon**	3,562	8,946	39.8	412	303	136.0	36,546	109,877	33.3
47	**CPC International**	3,459	5,781	59.8	211[7]	383[7]	55.1	2,947	4,490	65.6
48	**Whirlpool[6]**	3,438	7,270	47.3	–59[8]	77[7]	D-P	2,096[8]	5,774	36.3
49	**Sara Lee**	3,324	11,606	28.6	246	470	52.3	3,176	7,636	41.6
50	**Monsanto**	3,310	8,995	36.8	199	546	36.4	2,996	9,236	32.4
51	**Caterpillar**	3,083	11,436	27.0	22[10]	646[10]	3.4	2,239	11,951	18.7
52	**Manufacturers Hanover**	3,079	7,695	40.0	32	139	23.0	22,921	61,530	37.3
53	**GTE**	3,044	18,374	16.6	244	1,541	15.8	4,878	33,769	14.4
54	**International Paper**	3,044	12,960	23.5	152[9]	946[9]	16.1	3,225	13,669	23.6
55	**UAL**	3,010	11,037	27.3	NA	94	NA	NA	7,994	NA

[1] From continuing operations. [2] Includes other income. [3] Net income before corporate expense. [4] Average assets. [5] Includes excise taxes. [6] Includes proportionate interest in unconsolidated subsidiaries or affiliates. [7] Net income before minority interest. [8] Excludes Canadian operations. [9] Pretax income. [10] Operating profit. D-P: Deficit over profit. P-D: Profit over deficit. NA: Not available.

100 LARGEST U.S. MULTINATIONALS

1990 Rank	Company	Revenue			Net profit[1]			Assets		
		foreign ($mil)	total ($mil)	foreign as % of total	foreign ($mil)	total ($mil)	foreign as % of total	foreign ($mil)	total ($mil)	foreign as % of total
56	**Allied-Signal**	2,948	12,343	23.9	63	462	13.6	2,481	10,456	23.7
57	**Pfizer**	2,933	6,406	45.8	468[7]	805[7]	58.1	3,162	9,052	34.9
58	**Pan Am**	2,921	3,917	74.6	–279[9]	–662[9]	42.1	NA	2,073	NA
59	**Gillette**	2,911	4,345	67.0	227	368	61.7	2,380	3,671	64.8
60	**BankAmerica**	2,894	12,323	23.5	–113	877	D-P	22,377	110,728	20.2
61	Union Carbide	2,775	7,621	36.4	93	308	30.2	3,215	8,733	36.8
62	McDonald's	2,769	6,640	41.7	300	802	37.4	4,608	10,668	43.2
63	Sun Company	2,705	11,812	22.9	87	199	43.7	3,156	9,000	35.1
64	TRW	2,552	8,169	31.2	83	208	39.9	1,720	5,555	31.0
65	Cigna	2,518	18,164	13.9	–178	318	D-P	6,941	63,691	10.9
66	**WR Grace**	2,494	6,754	36.9	169[7]	214[7]	79.0	2,121	6,227	34.1
67	**Bank of Boston**	2,454	5,598	43.8	92	–438	P-D	6,141[4]	36,491[4]	16.8
68	**Rockwell International**	2,413	12,379	19.5	101	624	16.2	2,167	9,738	22.3
69	**Phillips Petroleum**	2,408	13,603	17.7	396	541	73.2	2,406	12,130	19.8
70	**Apple Computer**	2,317	5,558	41.7	521[9]	779[9]	66.9	945	2,976	31.8
71	Kimberly-Clark[6]	2,311	6,919	33.4	116[7]	442[7]	26.2	2,169	5,444	39.8
72	HJ Heinz	2,306	6,086	37.9	186	504	36.9	1,883	4,487	42.0
73	Emerson Electric	2,265	7,573	29.9	164	613	26.8	2,487	6,376	39.0
74	Rhone-Poulenc Rorer	2,249	2,917	77.1	64[7]	7[7]	914.3	2,961	4,085	72.5
75	Abbott Laboratories	2,245	6,159	36.5	165	966	17.1	1,647	5,563	29.6
76	**Warner-Lambert**	2,242	4,687	47.8	197	485	40.6	1,345	3,261	41.2
77	**Federal Express**	2,230	7,015	31.8	–194[10]	414[10]	D-P	1,877	5,675	33.1
78	**Great A&P Tea**	2,195	11,391	19.3	32	151	21.2	789	3,307	23.9
79	**Texas Instruments**	2,180	6,567	33.2	–92[3]	–78[3]	117.9	2,077	5,048	41.1
80	**American Home Products**	2,168	6,775	32.0	155	1,231	12.6	1,401	5,637	24.9
81	Borden	2,165	7,633	28.4	89	364	24.5	1,801	5,284	34.1
82	Kellogg	2,138	5,181	41.3	177	503	35.2	1,805	3,749	48.1
83	Halliburton	2,111[2]	6,926[2]	30.5	42[7]	200[7]	21.0	1,340	4,544	29.5
84	PPG Industries	2,063	6,021	34.3	126[7]	487[7]	25.9	2,044	6,108	33.5
85	Dresser Industries	2,048	4,480	45.7	59[7]	185[7]	31.9	1,095	3,309	33.1
86	**Black & Decker**	2,046	4,832	42.3	66	51	129.4	3,332	5,890	56.6
87	**Ralston Purina**	2,018	7,101	28.4	85	396	21.5	1,200	4,395	27.3
88	**American Family**	2,007	2,678	74.9	97	117	82.9	6,809	8,035	84.7
89	**Honeywell**	2,007	6,309	31.8	164	372	44.1	1,442	4,746	30.4
90	**Deere & Co**	2,002	7,762	25.8	47	411	11.4	2,005	10,660	18.8
91	Scott Paper[6]	1,984	5,821	34.1	59	148	39.9	2,420	7,085	34.2
92	Security Pacific	1,969	10,327	19.1	–333	161	D-P	14,078	84,731	16.6
93	Compaq Computer	1,941	3,599	53.9	234	455	51.4	792	2,718	29.1
94	RJR Nabisco	1,940	13,879	14.0	224[9]	–402[9]	P-D	2,775	32,915	8.4
95	Avon Products	1,932	3,454	55.9	109[7]	202[7]	54.0	822	2,059	39.9
96	**Time Warner**	1,889	11,517	16.4	–34	–227	15.0	2,776	25,337	11.0
97	**Eli Lilly**	1,876	5,192	36.1	386	1,127	34.3	2,126	7,143	29.8
98	**Baxter International**	1,855	8,100	22.9	92	40	230.0	1,684	8,517	19.8
99	**Dana**	1,837[8]	5,603[8]	32.8	77[8]	76[8]	101.3	1,038	4,513	23.0
100	**American Cyanamid**	1,808	4,570	39.6	138	98	140.8	1,383	5,092	27.2

[1] From continuing operations. [2] Includes other income. [3] Net income before corporate expense. [4] Average assets. [5] Includes excise taxes. [6] Includes proportionate interest in unconsolidated subsidiaries or affiliates. [7] Net income before minority interest. [8] Excludes Canadian operations. [9] Pretax income. [10] Operating profit. D-P: Deficit over profit. P-D: Profit over deficit. NA: Not available.

Foreign investing made a little easier

THESE DAYS AMERICAN INVESTORS can buy stock in a big foreign corporation such as Toyota Motor just as easily as they can purchase shares of a U.S. company such as Chrysler. The vehicle for such transactions is the American Depositary Receipt (ADR), which is a security that trades on U.S. exchanges, is priced in U.S. dollars and pays dividends, if any, in U.S. currency.

Liquidity? "If you are an investor concerned with the marketability of non-U.S. securities, consider the fact that in 1990 the listed ADR trading volume was 3.8 billion shares, an alltime high," says John A. Germinario, ADR sales manager for Citibank.

U.S. investors can now choose among ADRs for 880 foreign companies in 38 different countries. Approximately 200 of these are highly liquid issues—such as British Telecommunications, Glaxo Holdings and News Corp. Ltd.—and trade on the New York, American or Nasdaq markets. Last year $78 billion worth of these popular stocks were traded here.

Nearly 700 other ADRs trade over-the-counter. Some big foreign companies trade here—Heineken N.V., Nintendo and Volkswagen Group, for instance. Some firms prefer this arrangement because reporting and filing requirements are less stringent. Citibank's John Germinario estimates this second group of ADRs have a trading volume almost as large as the exchange-traded issues.

The U.K. has the most ADRs in the U.S., 198, followed by Australia and Japan. But as countries develop, their companies' securities, too, are becoming more evident here. Since 1990, for example, a handful of ADRs from Greece, Turkey and Korea have become available to U.S. investors.

There are two types of ADRs: sponsored and unsponsored. Sponsored ADRs have only one U.S. depositary bank (such as Citibank or Morgan Guaranty), which is appointed by the issuer. An unsponsored program may have more than one depositary bank, and there is no agreement between the banks and the foreign corporation clearly delineating rights and responsibilities. Hence there is somewhat more risk involved in unsponsored issues. Only companies with sponsored ADRs can raise equity capital in the U.S. Most sponsored and listed issues have the same reporting requirements as U.S. firms. There are now 386 sponsored ADRs, up from 60 in 1985.

Exch	Company/business	Country	ADR price ($US)	EPS		1990 P/E	Price/ cash flow	Yield (%)	Ordinary shares per ADR
				1990 ($)	1991E ($)				
q	•**Aegon Insurance Group**/insurance	Netherlands	62	9.76	8.03	6.3	NA	5.9	1.00
q	•**Akzo**/chemicals	Netherlands	29	4.10	3.80	7.1	3.3	5.7	0.50
a	**B. A. T Industries**/bev & tobacco	UK	12	0.43	0.88	28.0	21.1	6.0	1.00
n	•**Barclays Plc**/banking	UK	30	1.76	2.04	17.1	NA	6.4	4.00
o	**BASF Group**/chemicals	Germany	30	2.97	2.65	10.1	3.6	7.8	0.20
n	•**Bass Plc**/bev & tobacco	UK	17	2.54	1.56	6.6	6.0	4.5	1.00
o	**Bayer Group Worldwide**/chemicals	Germany	169	18.57	16.94	9.1	4.2	6.9	1.00
n	•**Benetton**/textile, apparel	Italy	15	1.18	1.35	12.4	10.6	2.7	2.00
n	•**BET Plc**/multi-industry	UK	12	1.33E	1.15	9.1	3.5	9.9	4.00
o	**Bridgestone Corp**/industrial comp	Japan	77	0.40	0.68	NM	9.3	1.4	10.00

Prices as of May 31. ADR prices have been rounded to nearest dollar. Because of conversion from ordinary shares to ADRs some of the ratios above may differ slightly from their counterparts listed elsewhere in this issue. a: American Stock Exchange. n: New York Stock Exchange. o: Over-the-counter. q: Nasdaq. •Sponsored American Depositary Receipt. E: Estimate. NA: Not available. NM: Not meaningful. *Sources: Morgan Stanley Capital International Perspective; FORBES. Earnings estimates provided by the International Edition of the Institutional Brokers Estimate System (IBES).*

Exch	Company/business	Country	ADR price ($US)	EPS 1990 ($)	EPS 1991E ($)	1990 P/E	Price/ cash flow	Yield (%)	Ordinary shares per ADR
o	**Brierley Investments**/multi-industry	New Zealand	1	0.24	0.19	5.7	5.3	9.2	2.00
n	•**British Airways**/airlines	UK	29	3.51	1.70	8.3	3.2	6.9	10.00
n	•**British Gas Plc**/utilities	UK	43	5.91	5.26	7.3	9.4	6.6	10.00
n	•**British Petroleum Co**/energy	UK	68	6.71	3.87	10.1	5.3	6.5	12.00
n	•**British Steel Plc**/metals-steel	UK	22	1.78E	1.02	12.1	3.7	8.9	10.00
n	•**British Telecommunications**/telecomm	UK	65	5.36	6.11	12.1	6.0	4.9	10.00
n	•**Broken Hill Proprietary**/energy	Australia	38	2.28	2.74	16.6	7.6	3.3	4.00
o	•**BSN-Groupe**/food, household	France	31	2.04	2.04	15.0	9.0	2.2	0.20
n	•**Cable & Wireless**/telecomm	UK	26	1.54	1.83	16.9	10.4	2.8	3.00
q	•**Cadbury Schweppes**/food, household	UK	61	4.52	4.58	13.5	9.1	4.3	10.00
q	•**Canon**/leisure goods	Japan	55	2.84	3.09	19.2	8.1	0.8	5.00
q	•**Carlton Communications**/services	UK	15	1.46	1.19	10.6	7.2	4.1	2.00
o	**Casio Computer**/leisure goods	Japan	99	1.97	2.66	50.2	12.9	0.9	10.00
o	**Cathay Pacific Airways**/airlines	Hong Kong	5	0.67	0.64	8.2	5.6	4.9	5.00
o	**Cheung Kong**/real estate	Hong Kong	2	0.19	0.27	11.9	11.5	2.8	1.00
o	**China Light & Power**/utilities	Hong Kong	3	0.18	0.21	15.0	10.8	3.8	1.00
n	•**Coles Myer Ltd**/retailing	Australia	25	1.59	1.53	15.6	9.7	3.4	3.00
o	•**Continental Group**/industrial comp	Germany	22	1.37	0.83	15.8	3.5	3.3	0.20
o	**Daimler-Benz Group**/automobiles	Germany	437	29.65	28.24	14.7	5.2	2.5	1.00
o	**Deutsche Bank Group**/banking	Germany	390	35.03E	35.82	11.1	NA	3.2	1.00
q	•**Electrolux Group**/appliances	Sweden	42	1.89	2.03	22.1	4.0	4.8	1.00
n	•**Elf Aquitaine Group**/energy	France	126	15.90	13.53	7.9	3.8	4.2	2.00
q	•**LM Ericsson**/elec & electron	Sweden	31	2.78	2.40	11.3	8.6	1.8	1.00
o	•**Esselte AB**/services	Sweden	26	2.20	1.15	11.9	7.3	3.2	1.00
n	•**Fiat Group**/automobiles	Italy	23	2.78	1.32	8.3	3.2	6.2	5.00
q	•**Fisons**/personal care	UK	33	1.86	2.04	17.8	15.2	2.1	4.00
o	•**Fletcher Challenge**/forest products	New Zealand	22	3.78	2.62	5.9	3.9	7.0	10.00
o	**Fuji Heavy Industries**/automobiles	Japan	37	–10.51	–4.70	NM	NM	0.4	10.00
q	**Fuji Photo Film**/leisure goods	Japan	49	2.64	3.00	18.6	10.4	0.4	2.00
o	**Fujitsu Ltd**/data processing	Japan	41	1.62	1.93	25.3	7.4	0.8	5.00
q	•**Gambro AB**/personal care	Sweden	34	1.47	1.86	23.1	14.6	1.4	1.00
n	•**Glaxo Holdings Plc**/personal care	UK	40	1.73	1.94	23.0	18.7	2.7	2.00
o	•**Grand Metropolitan**/multi-industry	UK	26	2.17	2.21	12.1	9.4	3.7	2.00
o	•**Hafslund Nycomed**/personal care	Norway	32	2.27	2.31	14.1	10.9	0.8	1.00
n	•**Hanson Plc**/multi-industry	UK	19	1.72	1.70	10.9	8.9	5.5	5.00
o	•**Havas**/services	France	21	1.32	1.22	15.9	12.7	2.1	0.25
o	**Heineken NV**/bev & tobacco	Netherlands	82	6.26	6.44	13.1	5.7	2.2	1.00
n	•**Hitachi Ltd**/elec & electron	Japan	85	4.98	5.04	17.0	6.0	0.9	10.00
o	**Hoechst Group**/chemicals	Germany	79	8.97	7.75	8.9	4.0	7.3	0.50
n	•**Honda Motor Co Ltd**/automobiles	Japan	20	1.11	0.91	17.6	5.4	1.0	2.00
o	**Hutchison Whampoa Ltd**/multi-industry	Hong Kong	10	0.74	0.85	13.2	11.4	0.0	5.00
n	•**Imperial Chemical Industries**/chemicals	UK	88	6.28	4.96	14.0	9.2	5.7	4.00
q	•**Ito-Yokado Co Ltd**/retailing	Japan	126	4.74	4.94	26.6	16.7	0.5	4.00
o	**C Itoh & Co Ltd**/trading	Japan	50	1.78E	1.92	28.2	22.5	0.9	10.00
q	**Japan Air Lines**/airlines	Japan	17	0.14E	0.20	NM	14.2	0.4	2.00

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100 U.S.-TRADED FOREIGN STOCKS

Exch	Company/business	Country	ADR price ($US)	EPS		1990 P/E	Price/ cash flow	Yield (%)	Ordinary shares per ADR
				1990 ($)	1991E ($)				
o	**Kawasaki Steel Corp**/metals-steel	Japan	32	1.04E	0.91	30.6	NA	1.4	10.00
o	•**Keppel Corp**/machinery & eng	Singapore	9	0.34	0.40	26.0	19.9	0.7	2.00
q	**Kirin Brewery Co Ltd**/bev & tobacco	Japan	109	2.77	3.20	39.2	21.2	0.5	10.00
n	**KLM Royal Dutch Airlines***/airlines	Netherlands	14	1.66	–1.65	8.4	NM	6.6	1.00
o	•**Komatsu Ltd**/machinery & eng	Japan	128	4.38E	4.69	29.2	14.6	0.9	20.00
n	•**Kubota Corp**/machinery & eng	Japan	110	0.72	1.03	NM	38.3	0.7	20.00
n	•**Kyocera Corp**/electronic comp	Japan	93	2.46	3.01	37.7	24.4	0.7	2.00
o	**L'Oreal**/personal care	France	20	1.15	1.10	17.1	11.3	1.8	0.20
q	•**LVMH Group**/bev & tobacco	France	144	8.93	9.31	16.2	15.5	2.4	0.20
n	•**Matsushita Electric Industrial**/appliances	Japan	122	8.78	8.42	13.8	7.1	0.6	10.00
o	**Matsushita Electric Works**/elec & electron	Japan	119	3.52	4.29	33.7	18.6	0.7	10.00
o	**Mitsubishi Corp**/trading	Japan	91	2.89	3.47	31.5	17.8	0.6	10.00
o	•**Neptune Orient Lines**/shipping	Singapore	4	0.19	0.23	21.2	5.7	2.8	4.00
o	**Nestle**/food, household	Switzerland	181	13.32	13.68	13.6	8.3	2.2	0.03
n	•**News Corp Ltd**/media	Australia	14	0.97	1.46	14.5	4.4	1.1	2.00
o	•**Nintendo Co Ltd**/leisure goods	Japan	26	0.86	0.99	29.9	NA	0.3	0.25
q	**Nissan Motor Co Ltd**/automobiles	Japan	11	0.28	0.48	39.2	7.2	1.9	2.00
o	•**Oy Nokia Ab**/multi-industry	Finland	23	1.43	1.38	16.2	6.1	2.9	1.00
n	•**Norsk Hydro**/energy	Norway	30	2.25	2.04	13.4	5.6	2.1	1.00
n	•**Novo Nordisk B**/personal care	Denmark	66	3.89	4.06	17.0	10.7	0.9	1.00
q	•**Pacific Dunlop Ltd**/multi-industry	Australia	16	1.30	1.00	12.5	9.5	3.9	4.00
o	•**Petrofina SA**/energy	Belgium	33	2.87	2.73	11.4	5.7	4.8	0.10
o	**Peugeot Groupe SA**/automobiles	France	20	6.79	3.66	3.0	1.9	4.0	0.20
n	•**Philips Group**/appliances	Netherlands	16	–8.40	0.86	NM	NM	0.0	1.00
n	•**Pioneer Electronic Corp**/appliances	Japan	29	1.35	1.41	21.3	12.9	0.6	1.00
n	•**Racal Telecomm**/telecomm	UK	65	1.94	3.23	33.7	21.3	1.5	10.00
q	•**Rank Organisation**/leisure	UK	12	1.21	0.98	9.8	7.6	5.9	1.00
o	•**Reed International Plc**/media	UK	27	2.46	2.11	10.9	9.8	0.0	4.00
q	•**Reuters Holdings**/services	UK	43	2.68	2.60	16.0	10.2	2.4	3.00
o	•**Royal Nedlloyd Group**/shipping	Netherlands	55	–8.48	–2.41	NM	4.8	0.0	2.00
o	**Sekisui House Ltd**/construction	Japan	109	4.97	6.21	21.8	19.0	1.2	10.00
o	**Siemens Group**/elec & electron	Germany	75	5.20	5.02	14.4	6.1	3.1	0.20
q	•**SKF Group**/industrial comp	Sweden	17	1.02	0.74	16.5	6.7	4.1	1.00
n	•**SmithKline Beecham Plc**/personal care	UK	68	3.39	3.99	20.2	15.1	12.4	5.00
n	•**Sony Corp**/appliances	Japan	46	2.44	2.45	18.7	7.6	0.8	1.00
o	**Sumitomo Bank Ltd**/banking	Japan	179	3.26	3.34	55.0	NA	0.3	10.00
o	**Swire Pacific**/multi-industry	Hong Kong	5	0.39	0.46	12.2	7.0	4.3	2.00
n	•**Telefonica**/telecomm	Spain	28	5.24	2.42	5.4	2.8	5.4	3.00
o	**Thyssen Group**/metals-steel	Germany	32	4.58	3.32	6.9	3.3	7.1	0.25
q	•**Tokio Marine & Fire Insurance**/insurance	Japan	49	0.85	0.97	57.4	NA	0.6	5.00
q	**Toyota Motor Corp**/automobiles	Japan	26	1.78	1.63	14.6	7.8	1.1	2.00
n	•**Unilever Plc**/food, household	UK	52	4.21	4.21	12.4	9.1	3.2	4.00
o	•**Volkswagen Group**/automobiles	Germany	45	4.60E	3.61	9.8	3.0	4.4	0.20
q	•**Volvo AB**/automobiles	Sweden	55	9.58	2.03	5.8	17.8	4.5	1.00
o	•**Wellcome Plc**/personal care	UK	10	0.38	0.46	25.8	19.8	0.0	1.00

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THE FORBES/BARRA WALL STREET REVIEW

BY ERIC S. HARDY

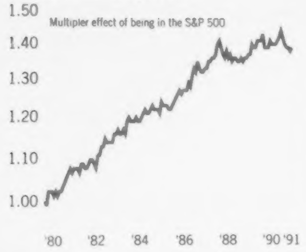
With this issue we introduce a market page produced in cooperation with Barra, Inc., a portfolio manager's consultant in Berkeley, Calif. The Barra All-US Index, a weighted average index of roughly 5,000 stocks, replaces the Wilshire 5000 that FORBES has tracked since 1981.

Barra, founded in 1975 by portfolio theorist Barr Rosenberg (he sold the firm in 1981), takes statistical analysis a step beyond where Wall Street leaves off. In figuring the performance of different industry sectors, for instance *(see table)*, Barra allocates stocks to multiple industries. During the two weeks ended June 27, the tobacco industry was the best-performing group. But only about half of diversified tobacco giant Philip Morris' price performance was attributable to tobacco. According to the Barra model, the price change of Philip Morris was also influenced by three other industries.

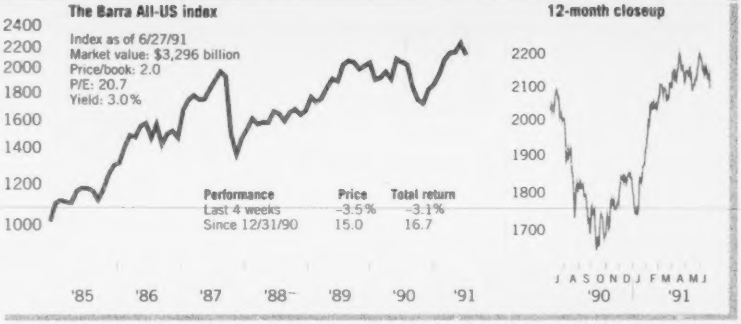
Special focus

Is the S&P 500 advantage over? During the 1980s, according to Barra, membership in the S&P 500 had an average annual extra return of 3.5%. But as early as 1988, the big-company advantage was faltering; being in the S&P cost you 4.7%. Apart from size, the 500 stocks had in their favor the fact that many billions of dollars in index funds were tied to them. But now other benchmarks are being used for indexing purposes.

S&P 500 membership factor



The overall market



Index as of 6/27/91
Market value: $3,296 billion
Price/book: 2.0
P/E: 20.7
Yield: 3.0%

Performance	Price	Total return
Last 4 weeks	-3.5%	-3.1%
Since 12/31/90	15.0	16.7

Closeup on the market

Index or investment	2-week change	% change from 1 year	% change from record high
Barra All-US index	-2.3 %	4.9 %	-4.3 %
Sharpe/Barra Growth index[1]	-0.2	9.9	-4.2
Sharpe/Barra Value index[2]	-1.3	7.0	-3.9
Dow Jones industrials	-2.2	2.5	-3.3
S&P 500	-2.1	5.4	-4.1
NYSE	-2.1	5.7	-3.9
Nasdaq	-3.8	4.2	-6.9
Amex	-2.2	0.7	-3.7
EAFE[3]	-1.6	-11.7	-23.4
CRB index[4,5]	-2.3	-10.9	-37.8
Gold[5]	-0.8	3.3	NA
Yen[5]	9.3	-10.0	NA
Oil[5]	4.1	19.5	NA

The best and worst performing stocks[6]

Best	Price	2-week change	1991 Eps[7]	Worst	Price	2-week change	1991 Eps[7]
South Carolina National	30½	35%	$2.37	**Columbia Gas System**	18¼	-50%	$1.99
Fieldcrest Cannon	14¼	25	0.23	**Surgical Laser Tech**	6¼	-49	0.52
LaserMaster Technologies	7¾	24	-0.20	**Eljer Industries**	13⅛	-44	0.45
SciMed Life Systems	64	24	2.33	**Archive**	4¼	-35	0.55
Carolco Pictures	9¼	23	0.89	**ICF International**	10¾	-32	0.82

The best and worst industry factors[8]

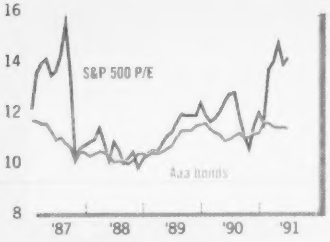
Best	2-week change	Since 12/31/90	Worst	2-week change	Since 12/31/90
Tobacco	3.2%	33.2%	**Real estate**	-5.7%	20.6%
Aluminum	3.1	11.7	**Trucking/freight**	-4.6	21.2
Aerospace	2.8	11.8	**Thrift institutions**	-4.6	11.6
Motor vehicles	1.3	25.4	**Pollution control**	-4.3	-0.5
Agriculture/food	0.9	18.2	**Gas utilities**	-4.1	0.6

Note: Data for period ending 6/27/91. The Barra All-US index consists of all publicly traded common stocks for which price quotations are available and ordinary shares of foreign stocks trading on U.S. markets. ADRs, REITs and closed-end funds are excluded. [1] Total return of a portfolio of more than 150 large-capitalization stocks that has high historical earnings growth and has predicted above average earnings growth. [2] Total return of a portfolio of more than 300 large capitalization stocks characterized by low price-to-book ratios, high yields and low price-to-earnings ratios. [3] A dollar-denominated capitalization-weighted index of more than [illegible] from Europe, Australia, New Zealand and the Far East. Source: Morgan Stanley Capital International Perspective. [4] Index of 21 commodity futures. [5] Knight-Ridder Financial Information. [6] During the last two weeks. [7] Institutional Brokers Estimate System, from Lynch, Jones & Ryan. [8] Shows total return to the industry factor after controlling for other influences including company size, value and growth characteristics. Multi-industry firms have proportional contributions in two or more total groups. NA: Not available. Principal source: Barra, Inc., Berkeley, Calif.

WHAT THE ANALYSTS THINK

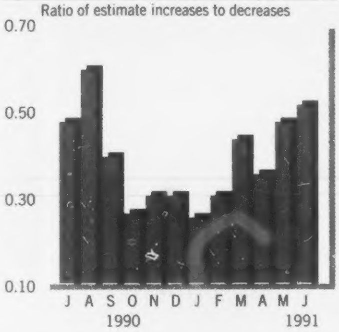
BY STEVEN RAMOS

S&P 500 P/E* vs. Aaa bonds†



*S&P 500 P/E is the recent price of the S&P 500 divided by estimated earnings over the next 12 months. †Projected price-to-coupon ratio for Moody's Aaa corporate bond index.

S&P 500 companies



Forecasting the S&P 500

Year	Estimated P/E	% change current vs. 3 months ago	Expected year-to-year EPS growth
1990	15.5	NA	-7%
1991	14.4	-7%	2
1992	12.3	-3	24

1991 estimates for industry groups

Rising estimates	Falling estimates
financial svcs	airlines
oil-integrated	steel
retail-apparel	automobiles
electronics	heavy trucks, parts
retail stores	leisure time

Analysts are more optimistic about corporate profits than they were at the end of March. Since the end of the first quarter, the Institutional Brokers Estimate System S&P 500 revisions index, which measures the ratio of estimate increases to decreases on the S&P 500, has moved up approximately 19%. "Regardless of what the newspapers said, reported earnings for the first quarter came in slightly above analyst expectations," says IBES Vice President Rick Pucci. Pucci predicts that second-quarter earnings will also be slightly better than expected.

What will the rest of 1991 be like? Not spectacular. Analysts expect only a 2% increase in profits for the S&P 500 over the 1990 total of $23.83. Meanwhile, Wall Street is still cutting forecasts for the automobile and airline industries—two groups that are often a barometer of recovery. But for 1992, analysts are looking for a recovery, with profits up 24% over 1991. Based on that jump, the S&P 500 is currently selling at 12.3 times projected 1992 earnings. If this rosy forecast holds, it would be one of the best year-to-year gains since the end of World War II.

Who's hot

Greatest increase in estimates over the past three months

Company/industry	1990 EPS	1991 estimate recent	1991 estimate 3-month change	P/E	3-month price change	Reason
Merrill Lynch/securities brokerage	$1.59	$4.38	137%	9	25%	Higher commission revenue and underwriting fees
Data General/computers	-2.27	1.78	125	9	20	Growing sales of its Aviion line of computers
Valley National/banking	0.38	1.40	87	17	30	Improved credit quality and expanded deposits
US Healthcare/healthcare svcs	1.08	1.90	32	17	14	Increased enrollments and higher rates
Amgen/biotech	1.85	3.25	30	36	-6	Higher sales of new drugs Neupogen and Epogen

Who's not

Greatest decrease in estimates over the past three months

Company/industry	1990 EPS	1991 estimate recent	1991 estimate 3-month change	P/E	3-month price change	Reason
AMR/airlines	$-0.66	$0.93	-56%	65	10%	Deep fare discounting
BF Goodrich/chemical	3.25	1.27	-55	31	-6	Lower chemical prices hurt profits
Compaq Computer/computers	4.93	2.62	-55	12	-47	Rising dollar and slowdown in orders from computer dealers
Bank of New York/banking	3.98	1.74	-52	16	8	Increased loan loss reserves
Tenneco/gas utilities	4.37	2.15	-49	19	-13	Production cuts and discounting at JI Case subsidiary

Note: Companies listed have a market capitalization of $100 million or more. Earnings projections are Wall Street consensus estimates data from 3,000 security analysts compiled by the Institutional Brokers Estimate System, a service of Lynch, Jones & Ryan Investment Services. Aaa bond yield forecasts supplied by Blue Chip Economic Advisors. NA: Not available. NM: Not meaningful.